



MINUTES

**Board of Directors Meeting
Kapolei Hale, Conference Room B
1000 Uluohia Street
Kapolei, Hawaii 96707
Thursday, March 17, 2016, 10:00 am**

PRESENT:

Damien Kim	Ivan Lui-Kwan
Colleen Hanabusa	Terri Fujii
William “Buzz” Hong	Terrence Lee
Michael Formby	George Atta

**ALSO IN ATTENDANCE:
(Sign-In Sheet and Staff)**

Daniel Grabauskas	Lisa Hirahara
Joyce Oliveira	Randall Ishikawa
Cindy Matsushita	Charles “Sam” Carnaggio
Morris Atta	Natalie Iwasa
Jesse Souki	Diane Arakaki
Aukai Reynolds	Kai Nani Kraut
Kevin Cox	Chris Takashige
Nick Ching	Corey Ellis
Henry Miranda	Russell Honma
Nicole Chapman	Brennon Morioka
David Sagherian	Jeff Mack

EXCUSED:

Donald G. Horner	Ford Fuchigami
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I. Call to Order by Chair

Board of Directors Vice Chair Damien Kim called the meeting to order at 10:22 a.m.

II. Public Testimony on All Agenda Items

Mr. Kim called for public testimony.

John Bond provided testimony regarding karst caves and waterways that he said were in close proximity to the rail alignment. He also indicated that due to rising sea levels, the rail and transit oriented development projects would be in flood zones.

III. Approval of Minutes

A. February 18, 2016 Meeting of the Board of Directors

Mr. Kim called for the approval of the February 18, 2016 minutes of the Board of Directors meeting. Board member Terri Fujii pointed out a minor correction on page 5. The minutes were unanimously approved with that correction.

B. February 25, 2016 Limited Meeting of the Board of Directors

Mr. Kim called for the approval of the February 25, 2016 minutes of the limited meeting of the Board of Directors. The minutes were approved as circulated. Mr. Kim noted that the video of the meeting would also be available by requesting a copy from the Board Administrator.

XXII. Human Resources Committee Membership

Mr. Kim indicated that he would like to add an item onto the agenda to expand the membership of the Human Resources Committee, which had held meeting earlier that morning. Deputy Corporation Counsel Lisa Hirahara advised that an item could be added to the agenda with a two-thirds vote under the Sunshine Law.

Board member Michael Formby moved to add the item to the agenda. Board member Ivan Lui-Kwan seconded the motion. All being in favor, the matter of the expansion of the Human Resources Committee membership was added to the agenda.

Mr. Kim said that in addition to the present members of the Committee – Donald Horner, Mr. Formby, and himself – Mr. Lui-Kwan and Board members William “Buzz” Hong, Colleen Hanabusa, and Terrence Lee, desired to join the Committee. Mr. Formby moved to add those members to the Committee, and Mr. Lui-Kwan seconded the motion. All being in favor, the motion carried unanimously.

Mr. Kim said that as the Board would only have quorum until 11:00, he requested proceeding to the action items on the agenda. There were no objections.

VII. Eminent Domain – Authorizing Acquisition

- A. Resolution No. 2016-8 - Authorizing the Acquisition of Guideway Easement and Temporary Construction Easement Over, On, and Across the Real Property Identified as Tax Map Keys 1-1-016-019 and 1-1-016-020 (Portions) by Eminent Domain [2635 Waiwai Loop, Honolulu, Hawaii 96819, owned by Masters Properties, LLC]
- B. Resolution No. 2016-9 - Authorizing the Acquisition of Permanent Easement Over, On, and Across the Real Property Identified as Tax Map Key 1-2-010-069 (Portion) by Eminent Domain [1930 Dillingham Boulevard, Honolulu, Hawaii 96819, owned by RPTeixeira, LLC]
- C. Resolution No. 2016-10 - Authorizing the Acquisition of Permanent Guideway Easement Over, On, and Across the Real Property Identified as

Tax Map Key 1-5-007-028 (Portion) by Eminent Domain [5133 Kaaahi Street, Honolulu, Hawaii 96817, owned by Kathleen Yamauchi, et al.]

- D. Resolution No. 2016-11 - Authorizing the Acquisition of Permanent Easement Over, On, and Across the Real Property Identified as Tax Map Keys 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions) by Eminent Domain [569 Halekauwila Street, Honolulu, Hawaii 96813, owned by Hawaii State Federal Credit Union]

HART Deputy Director of Right of Way Morris Atta said that the properties that were the subjects of Resolutions 2016-8 through 2016-11 had been approved by the Honolulu City Council for eminent domain. The resolutions are attached hereto as Attachment A.

He said that the HART sought 252 square feet from the property relating to Resolution 2016-8 for a permanent easement and temporary construction easement. He said that Board authority was required to proceed in eminent domain. He said that HART intended to exercise eminent domain as a last resort, and that HART staff continued to negotiate with the landowner. Mr. Atta expressed his confidence that the matter would be resolved.

Mr. Kim clarified that the Board of Directors had previously approved notification to the City Council of HART's intent to exercise eminent domain, and Mr. Atta confirmed it had. Mr. Lui-Kwan asked whether all four parcels had been approved by the HART Board and City Council, and Mr. Atta replied that they had.

Mr. Lui-Kwan made a motion to adopt Resolutions 2016-8 through 2016-11. Ms. Hanabusa seconded the motion. All being in favor, the motion carried unanimously.

XII. HART-Related Legislative Measures

- A. HB2199 Relating to Transit Oriented Development
- B. SB3076 Relating to Statewide Community Plan
- C. SB3077 Relating to Statewide Community Planning
- D. SB2501 Relating to Procurement

With respect to items XII.A, B and C, HART Director of Government Relations Joyce Oliveira indicated that at its last meeting, the Board had decided to wait to see which bills survived crossover. Ms. Oliveira said that there were three transit oriented development (TOD) measures, for which she had provided draft testimony, and a draft resolution for the Board's consideration. The measures and draft testimony are attached hereto as Attachment B. Ms. Oliveira said that HB2199 seeks to create infrastructure authority, SB3076 designates the State of Hawaii, Office of Planning (State Office of Planning) as the coordinating body for TOD on state lands, and SB 3077 establishes an advisory group for the coordination of TOD with regard to state lands. The City Department Planning and Permitting (DPP) had submitted testimony in support of the intent of the bill; HART's draft testimony also supports the intent.

Ms. Hanabusa asked whether, regarding SB3076, HART should support a State agency in leading the coordination of TOD. She stressed the need for consistency in TOD planning, particularly as HART was looking to TOD as a source of revenue. Ms. Oliveira said that HART would support the intent of the bill, recognizing HART's charter duty to support, create and assist TOD. She noted that this was consistent with the Board's prior position on TOD.

Ms. Hanabusa said that she may not be able to support the intent of the measure. As TOD was intended to contribute to HART's income, and that control of TOD would control the income. She questioned why HART would abdicate its power to a state agency, and noted that HART's support of the intent of SB3076, would be viewed as HART not caring about this matter. Ms. Oliveira said that Ms. Hanabusa's concerns are consistent with DPP's testimony.

Mr. Lui-Kwan said that there had been a longstanding debate on the Board regarding HART's priority and role in TOD pursuant to charter. He suggested modification of HART's testimony to say that HART would work with the State Office of Planning, but would not support abdicating HART's power.

Ms. Hanabusa said that the issue was not only a state issue, but also a City issue. She advocated protecting the jurisdiction of the City and HART, rather than submitting testimony merely supporting the intent of the measure.

Mr. Lui-Kwan said that he had viewed the bill as simply designating the lead organization for the State on TOD, but said that Ms. Hanabusa's point was well made.

Mr. Hong said that there must be coordination of agencies, both City and State, as well as the community. He also noted the importance of public-private partnerships for development of infrastructure.

Mr. Formby noted that he shared the other board members' concerns and asked Board member George Atta to state the City's concerns.

Mr. Atta said that Ms. Hanabusa had captured the important points of DPP's position. He also said that it took into consideration the eight years of planning already invested by the City, and said that DPP was reluctant to have the State undermine those efforts or usurp the City's authority over TOD. He noted that the State Office of Planning would be TOD lead with regard to State lands, with the City remaining in charge of zoning. Mr. Atta noted that DPP had opposed some of the more extreme measures, such as the bill that gave authority over the transit corridor to the Hawaii Community Development Authority (HCDA); most of those bills had not survived. He said that DPP was in favor of measures that provided for the State's participation in infrastructure funding, and noted that it was an evolving discussion.

Mr. Lui-Kwan asked whether it was Mr. Atta's understanding that the City's authority would remain in place under this bill. Mr. Atta responded that that was his understanding now.

Mr. Kim asked when the Board needed to take action. Ms. Oliveira responded that April 8, 2016 would be second decking, and that crossover would be on April 14, 2016.

Ms. Hanabusa asked whether any of the bills had been scheduled for hearing. Ms. Oliveira said that none of the three TOD measures had been scheduled, but that the last measure in the agenda, SB2501 had been.

Ms. Hanabusa cautioned that the State may want to strip HART and the City of TOD authority, noting the example of the HCDA bill. She stressed that HART must take an affirmative position, because of the possibility that the bill could expand the State's authority in conference committee.

Mr. Hong echoed Ms. Hanabusa's concerns.

Ms. Oliveira requested the Board's direction, acknowledging the dynamic nature of the legislature.

Ms. Hanabusa said that the Board should take a position when bills become noted. She again cautioned against supporting a bill's intent without being clear as to HART's objections.

HART Executive Director and CEO Daniel Grabauskas asked whether the Board would like HART's testimony to be patterned after DPP's testimony.

Mr. Formby asked whether staff had indicated any position to the legislature. Ms. Oliveira said it had not, based on the Board's direction the previous month.

Mr. Lui-Kwan recalled that the Board had decided that Mr. Grabauskas would be authorized to respond to the legislature with respect to facts and historical policy, and that he would come back to the Board for direction on new policy matters. He said that the issue is how the Board formalizes its position with respect to the logistics of the Board schedule. He moved to have staff revise the TOD testimony pursuant to that day's discussion, and focusing on DPP's rationale, for presentation at the next Board meeting. In the interim, if Mr. Grabauskas is requested to testify, he may do so, reflecting the Board's discussion and indicating that the Board is in the process of formalizing its position.

Ms. Hanabusa requested to amend Mr. Lui-Kwan's motion to include authorizing Mr. Grabauskas to testify pursuant to that day's discussion, in particular, that HART supports the intent of the bill, but that it could not support particular items in the bills, depending on the measure.

Mr. Lui-Kwan agreed to Ms. Hanabusa's amendments to his motion.

Mr. Atta agreed with Mr. Lui-Kwan and Ms. Hanabusa's suggestions regarding clarity in testimony.

Mr. Kim called for a second to the motion.

Mr. Lee seconded the motion.

Mr. Hong asked HART Director of Planning, Right of Way and Permitting, as the former Director of State Office of Planning, about the intent of the past administration with regard to TOD. Mr. Souki said that following a SmartGrowth America workshop and meetings, the recommendation was to set up a core group to move TOD forward. The intent was not to usurp any authority, but to coordinate a statewide effort for TOD.

Mr. Hong commended Mr. Souki for his efforts.

While Ms. Hanabusa appreciated Mr. Souki's testimony about the former administration's position, she stated that no one knows the philosophy of the current State Office of Planning, and again emphasized the need for clarity.

Mr. Grabauskas said that staff could send redrafted testimony to Board members, who could reply independently with clarifications or edits. He asked whether that would be permissible under the Sunshine Law. Ms. Hirahara noted that the Board was voting on a position at this meeting, and that as long as the Board members' edits do not change what is decided at this meeting, such a procedure would comply with Sunshine Law.

Mr. Grabauskas suggested that one or two Board members could respond to unforeseen issues. Ms. Hanabusa said that the motion did not foreclose the HART Executive Director and CEO from opining. She said that should the HCDA matter be resurrected, an emergency meeting would need to be called. Mr. Grabauskas said that there had been some concern that the legislature may be frustrated by only one person representing HART, as opposed to receiving a position of the Board. He suggested being nimble in responding to such a situation.

Mr. Lui-Kwan suggested a caveat to the motion, that HART should work with legal counsel and send the Board members draft testimony for their consideration.

Mr. Kim called for the vote on agenda items XII.A, B and C. All being in favor, the motion carried unanimously.

With respect to agenda item XII.D, Ms. Oliveira discussed SB2501 relating to procurement. She said that staff's position is to continue to monitor the measure, which seeks to consider past performance when considering bids.

XIV. Change Order Process Policy

Mr. Lui-Kwan said that the matter of the change order process was raised in the last joint Finance and Project Oversight Committee meeting. He said that the current policy, which requires majority votes of each committee separately, puts the Board in an awkward position regarding governance.

Mr. Kim asked if whether the proposal was to vest authority in the full Board, and Mr. Lui-Kwan said that could be a solution. Ms. Hirahara confirmed that joint committees require majority votes from each committee in order for an action item to pass.

Mr. Lui-Kwan suggested including the item on the agenda for the following month.

Ms. Hanabusa said that it was an unnecessary process. She noted the critical importance of change orders to HART.

Mr. Lui-Kwan suggested deferring the item, as there was no urgency. He suggested getting the input of Board Chair Donald Horner.

Mr. Kim agreed, and the item was deferred.

XVII. Limited Meeting for West Oahu Station Group Groundbreaking

Mr. Kim called for a motion for the Board to approve a limited meeting for the March 28, 2016 West Oahu Station Group groundbreaking pursuant to HRS § 92-3.1 as it has been determined that it is necessary to meet at a location that is dangerous to the health and safety of the public.

Mr. Formby so moved, and Ms. Fujii seconded the motion. All being in favor, the motion carried.

Mr. Grabauskas said that the limited meeting would allow all Board members who wished to attend the groundbreaking to do so.

IV. Board Members' Report of Attendance

A. State of the City Address on March 1, 2016

Mr. Atta reported his attendance at the State of the City Address. He indicated that the Mayor reiterated his support for the rail project.

B. Manoa Town Hall meeting on March 2, 2016

Ms. Hanabusa, Mr. Lui-Kwan, Mr. Formby, and Mr. Horner were reported in attendance at the town hall meeting in Manoa on March 2, 2016. Ms. Hanabusa reported that Representative Isaac Choy had called the meeting, at which the Mayor was also in attendance. Mr. Lui-Kwan added that Mr. Grabauskas and Councilmember Ann Kobayashi was also in attendance, and said a robust discussion had occurred. He also indicated that there were questions about the fares and how revenues would not cover operating costs.

C. Charter Commission meeting on March 4, 2016

D. Charter Commission meeting on March 8, 2016

Mr. Kim noted that Mr. Formby and Mr. Horner, who were not present, had been in attendance at the Charter Commission meetings on March 4 and March 8.

E. Project Management Oversight Contractor meeting on March 10, 2016

Mr. Formby and Ms. Hanabusa reported their attendance. Ms. Hanabusa said that there had been a candid discussion between staff and the project management oversight contractor (PMOC), and encouraged other members to attend. She said she learned about

the PMOC's areas of focus, which informed her understanding of the PMOC report. She thanked Mr. Grabauskas for making the PMOC available to her and Mr. Formby.

Mr. Grabauskas said that as the PMOC meetings occur every month, staff could accommodate Board members.

F. City Council Budget Committee meeting on March 11, 2016

Mr. Grabauskas said that no Board members had been present at the City Council Budget Committee meeting on March 11, 2016.

V. Construction and Traffic Update

HART West Side Construction Manager Kai Nani Kraut, Director of Design and Construction Chris Takashige, Lead Traffic Engineer Nick Ching, and East Side Construction Manager Kevin Cox presented the construction and traffic update, a copy of which is attached hereto as Attachment C.

Ms. Kraut said that the Rail Operation Center was scheduled for substantial completion on May 2, 2016. The West Oahu/Farrington Highway section civil substantial completion was expected in July 2016. Work had commenced on the West Oahu Station Group with the recent groundbreaking. Work on environmental planning and schedules was underway for the Farrington Highway Station Group. The Kamehameha Highway Guideway was scheduled to be complete in March 2017. Royal Construction was expected to commence construction of the H2R2 ramp soon, as materials had been accepted by the State Department of Transportation. An administrative notice to proceed was pending for the Kamehameha Highway Station Group.

Mr. Takashige reported on the slight increase in completion for utilities, as well as the impending awards of the Airport and City Center construction contracts.

Mr. Ching reported on traffic and detours on Farrington Highway and Kamehameha Highway. Mr. Kim asked about freeway closure dates. Mr. Ching said that although there was no firm date at the moment, freeway closures had been delayed to May.

VI. Right of Way Update

Morris Atta gave a PowerPoint presentation updating the Board on right of way acquisitions, a copy of which is attached hereto as Attachment D. Mr. Atta briefly reported on the project's goals and summarized the acquisition status. He said that HART had obtained approval for 50 eminent domain parcels. Of those, two had not been approved by the City Council, five cases were filed in court, and 19 were in escrow. Mr. Atta reviewed acquisitions by type, as well as appraisal status and offer status.

Mr. Lee asked about the \$6 million for relocation. Mr. Atta responded that the amount related to unanticipated relocations that are complex and technical, and that result in higher than anticipated costs.

Mr. Lee asked about the budget for the Blood Bank property. Mr. Atta replied that the City Council had passed a resolution requesting HART to expend \$3 million for the Blood

Bank; he said that amount had not been budgeted for the Blood Bank. He said that relocation was not warranted for the proposed taking.

Mr. Atta continued by reporting on the closed acquisitions, as well as private property acquisition costs.

Mr. Grabauskas added that the City Council Executive Matters and Legal Affairs Committee did not pass the resolution relating to the Blood Bank's property. However, the next day, the City Council Budget Committee heard a separate resolution that approved eminent domain, but requested the City to purchase the Blood Bank property for low income housing. That measure had been deferred at Council Chair Ernie Martin's request because the Blood Bank had just provided HART with updated information. HART had reviewed that information, and informed Council that its position remained unchanged regarding the need for the partial taking. The previous day, Chair Martin had hand-carried a floor draft of the resolution that authorized the partial take for the rail project, and that urged the City to purchase the remainder of the property. The Blood Bank objected to resolution, which the City Council voted unanimously in favor of. Mr. Grabauskas said that the resolution would go before the HART Board the following month for final approval. He thanked Chair Martin and Councilmember Joey Manahan for their support.

Mr. Kim clarified that the City would purchase the building, with HART paying the value of the partial taking. Mr. Grabauskas confirmed that was the case. He acknowledged the efforts of Morris Atta and his staff.

IX. February Monthly Progress Report

X. February Project Management Oversight Contractor Report

Mr. Grabauskas said that the February Monthly Progress and PMOC reports had been made available to Board members, and solicited any questions or comments. There were none. Copies of the reports are attached hereto as Attachments E and F.

XI. Discussion Regarding Pearl Highlands Parking Garage Request for Information

Mr. Grabauskas suggested deferring the Pearl Highlands Request for Information (RFI) item to the next Board meeting, as he would like the entire Board to see the excellent work done by staff.

Mr. Lee noted that adjacent landowner Alexander & Baldwin were interested in further conversation regarding the opportunities presented by the parking garage. HART Land Use and Sustainability Manager Aki Marceau said that HART intended to issue an RFI so that interested parties could submit information to HART. She noted that DPP and HART had worked closely with A&B on its redevelopment of its Pearl Highlands property.

George Atta said that he had met with HART staff, and had gained clarity on the Pearl Highlands options.

XIII. Report on Charter Commission Testimony

Mr. Grabauskas said that Mr. Horner's report on Charter Commission testimony would be deferred until the next meeting.

XV. Change Orders – West Oahu/Farrington Highway and Kamehameha Highway Guideway, State of Hawaii Department of Transportation Traffic Signal Upgrades

XVI. HART Testimony on HART-Related Council Measures

Mr. Grabauskas said that this item had been requested by the Chair to discuss process regarding legislative matters. He suggested deferring the discussion until the next meeting.

XVIII. Discussion on Potential Amendment to Government Affairs/Audit/Legal Matters Committee Responsibilities

Mr. Grabauskas suggested deferring this item as well, as it had been requested by Mr. Horner and Mr. Formby.

XIX. Airport Guideway Station Group Procurement Update

Mr. Grabauskas said that HART had been anticipating that proposals for the Airport guideway and stations would be received by March 22, 2016. However, HART had received requests by offerors to extend the deadline, which is now April 5, 2016.

XX Executive Director & CEO's Report

Mr. Grabauskas reported that the West Oahu Station Group groundbreaking would occur on March 28, 2016.

He said that the first train was expected to arrive in Hawaii the next week.

Mr. Grabauskas reported that HART had submitted its fiscal year 2017 budget to the City Council the previous week and fielded requests which it was in the process of responding to.

The risk refresh with the Federal Transit Administration would be occurring on March 30, 2016.

Mr. Grabauskas said that the Board would be hearing a presentation in April on the station naming process and policy. He reported that the primary station names would be in native Hawaiian. He noted that there would also be an opportunity for a secondary name, and said that the Board would participate in the naming process.

XXI Adjournment

There being no further business before the Board, Mr. Kim adjourned the meeting at 12:06 p.m.

HART Board of Directors Meeting
March 17, 2016

Respectfully Submitted,



Cindy Matsushita
Board Administrator

Approved:



~~Donald G. Homer~~ Colleen Hanabusa
Board Chair

APR 21 2016

Date

ATTACHMENT A

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-8

AUTHORIZING THE ACQUISITION OF GUIDEWAY EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 1-1-016-019 and 1-1-016-020 (PORTIONS) BY EMINENT DOMAIN

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain . . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, the City Council approved or did not object to the acquisition of guideway easement and temporary construction easement over, on, and across the real property identified as Tax Map Keys (TMKS) 1-1-016-019 and 1-1-016-020 (Portions) by eminent domain after written notification by HART; and

WHEREAS, the acquisition by eminent domain of said guideway easement and temporary construction easement over, on, and across the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That acquisition by eminent domain of the guideway easement and temporary construction easement over, on, and across the real property identified as TMKS 1-1-016-019 and 1-1-016-020 (Portions) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and
2. That the acquisition of said easements by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and
3. That the acquisition of said easements by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and

4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and
5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on _____.

Board Chair

ATTEST:

Board Administrator

Exhibit A – Legal description of TMKS 1-1-016-019 and 1-1-016-020 (Portions)

Easement A
For Guideway Purposes
Affecting Lot 105 (Map 150) of Land Court Application 1074

SITUATE AT MOANALUA, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the Southwest corner of this parcel of land, along the North side of Waiwai Loop, the coordinates of said point of beginning referred to Government Survey Triangulation Station "SALT LAKE" being 11,095.05 feet South and 2,418.70 feet West, thence running by azimuths measured clockwise from true South:

- 1. 189° 04' 9.00 feet;
- 2. 279° 04' 28.00 feet;
- 3. 9° 04' 9.00 feet;
- 4. 99° 04' 28.00 feet along the North side of Waiwai Loop to the point of beginning and containing an area of 252 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki
 Ryan M. Suzuki Exp: 4/30/16
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
 Honolulu, Hawaii 96819
 February 2, 2016
 TMK: 1-1-016: 020 (PDQ 318)

Note: This description is for exhibit purposes only and does not purport a legally subdivided lot.



Easement B
For Temporary Construction Purposes
Affecting Lot 104 (Map 150) of Land Court Application 1074

SITUATE AT MOANALUA, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the Southwest corner of this easement, also being the Southeast corner of Lot 103 (Map 150) of Land Court Application 1074, the coordinates of said point of beginning referred to Government Survey Triangulation Station "SALT LAKE", being 11,076.43 feet South and 2,535.39 feet West, thence running by azimuths measured clockwise from true South:

- 1. 189° 04' 6.70 feet along Lot 103 (Map 150) of Land Court Application 1074;
- 2. 279° 04' 30.67 feet;
- 3. 9° 04' 6.70 feet;
- 4. 99° 04' 30.67 feet along the North side of Waiwai Loop to the point of beginning and containing an area of 205 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki
 Ryan M. Suzuki Exp: 4/30/16
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
 Honolulu, Hawaii 96819
 February 2, 2016
 TMK: 1-1-016: 019 (PDQ 318)

Note: This description is for exhibit purposes only and does not purport a legally subdivided lot.



**Easement C
For Temporary Construction Purposes
Affecting Lot 105 (Map 150) of Land Court Application 1074**

SITUATE AT MOANALUA, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the Southwest corner of this easement, along the North side of Waiwai Loop, the coordinates of said point of beginning referred to Government Survey Triangulation Station "SALT LAKE", being 11,141.66 feet South and 2,422.87 feet West, thence running by azimuths measured clockwise from true South:

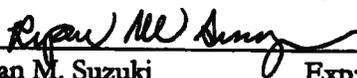
1. 189° 04' 10.06 feet;
2. 279° 04' 86.05 feet;
3. 9° 04' 7.26 feet along Lot 3286 (Map 430) of Land Court Application 1074;
4. Thence along the North side of Waiwai Loop, on a curve to the right with a radius of 347.00 feet, the chord azimuth and distance being:
95° 25' 27" 44.09 feet;
5. 99° 04' 9.83 feet along the North side of Waiwai Loop;
6. 189° 04' 9.00 feet;
7. 99° 04' 28.00 feet;
8. 9° 04' 9.00 feet;
9. 99° 04' 4.22 feet along the North side of Waiwai Loop to the point of beginning and containing an area of 573 Square Feet, more or less.





R. M. TOWILL CORPORATION

Description prepared by:



Ryan M. Suzuki Exp: 4/30/16
Licensed Professional Land Surveyor
Certificate Number 10059

2024 North King Street, Suite 200
Honolulu, Hawaii 96819
February 9, 2016
TMK: 1-1-016: 020 (PDQ 318)

Note: This description is for exhibit purposes only and does not purport a legally subdivided lot.



Honolulu Authority for Rapid Transportation

STAFF SUMMARY

TITLE: RESOLUTION NO. 2016-8 AUTHORIZING THE ACQUISITION OF GUIDEWAY EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 1-1-016-019 and 1-1-016-020 (PORTIONS) BY EMINENT DOMAIN	STAFF CONTACT: Jesse K. Souki Morris M. Atta	DATE: March 17, 2016
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Type:	Goal	Focus Area	Reference Notes
<input checked="" type="checkbox"/> Action/Approval	<input checked="" type="checkbox"/> Project Delivery	<input type="checkbox"/> Livability/Land Use	
<input type="checkbox"/> Information	<input type="checkbox"/> Service Delivery	<input type="checkbox"/> Partnerships	
<input type="checkbox"/> Follow-up	<input type="checkbox"/> Resource Stewardship	<input type="checkbox"/> Agency Admin.	

1. Purpose:
 Final action of the Board in authorizing the condemnation of the parcel identified as Tax Map Keys 1-1-016-019 and 1-1-016-020 situated at 2635 Waiwai Loop, Honolulu, Hawaii 96819 which is required for guideway easement construction of the Honolulu Rail Transit Project (H RTP). The property is owned by Masters Properties LLC.

2. Background/Justification
 Notification of the intent to exercise eminent domain had previously been sent to the Honolulu City Council along with HART Resolution 2016-3 on February 24, 2016. The City Council adopted Resolution No. 16-47 approving the action on March 16, 2016. Accordingly, under the Charter of the City and County of Honolulu section 17-103.2(b), HART may now properly proceed with the condemnation proceedings for this parcel.

3. Procurement Background
 N/A

4. Financial/Budget Impact
 The project budget includes an estimated cost for legal action associated with the condemnation of the property.

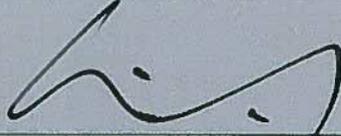
5. Policy Impact
 There is no policy impact since this action conforms to the requirement of the Uniform Relocation Act, FTA 5010.1D and Article XVII of the Charter of the City and County of Honolulu.

6. Public Involvement
 N/A

7. Alternatives
 There is no alternative given the proposed project schedule and the need to acquire the property as soon as possible in order to not delay the contractor in constructing the guideway.

8. Exhibits
 N/A

Certified and Recommended by:



Executive Director and CEO

3 / 7 / 16

Date

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-9

**AUTHORIZING THE ACQUISITION OF PERMANENT EASEMENT OVER, ON, AND
ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY
1-2-010-069 (PORTION) BY EMINENT DOMAIN**

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain . . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, the City Council approved or did not object to the acquisition of the permanent easement over, on, and across the real property identified as Tax Map Key (TMK) 1-2-010-069 (Portion) by eminent domain after written notification by HART; and

WHEREAS, the acquisition by eminent domain of said permanent easement over, on, and across the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That acquisition by eminent domain of the permanent easement over, on, and across the real property identified as TMK 1-2-010-069 (Portion) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and
2. That the acquisition of said easement by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and
3. That the acquisition of said easement by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and
4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and

5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on

_____.

Board Chair

ATTEST:

Board Administrator

Exhibit A – Legal description of TMK 1-2-010-069 (Portion)

REF
R

Easement A
For Guideway Purposes
Affecting a Portion of Lots 24 and 26 in Block 7 of "Kapiolani Tract"
Being a Portion of Royal Patent 8194, Land Commission Award 6450,
Apana 1 to Kaunuohua no Moehonua

SITUATE AT MOKAUEA, KALIHI, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the South corner of this easement, being the West corner of a Portion of Lot 30 in Block 7 of "Kapiolani Tract", along the Northeast side of Dillingham Boulevard, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA", being 4,457.78 feet South and 5,032.76 feet West, thence running by azimuths measured clockwise from true South:

- 1. 132° 20' 86.12 feet along the Northeast side of Dillingham Boulevard;
- 2. 222° 20' 9.17 feet;
- 3. 312° 20' 86.12 feet;
- 4. 42° 20' 9.17 feet along a Portion of Lot 30 to the point of beginning and containing an area of 790 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki

Ryan M. Suzuki Exp: 4/30/16
Licensed Professional Land Surveyor
Certificate Number 10059

2024 North King Street, Suite 200
Honolulu, Hawaii 96819
August 11, 2015

Note: This description is for exhibit purposes and does not purport a legally subdivided easement.



Honolulu Authority for Rapid Transportation

STAFF SUMMARY

TITLE: RESOLUTION NO. 2016-9 AUTHORIZING THE ACQUISITION OF PERMANENT EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 1-2-010-069 (PORTION) BY EMINENT DOMAIN	STAFF CONTACT: Jesse K. Souki Morris M. Atta	DATE: March 17, 2016
--	---	--------------------------------

Type:	Goal	Focus Area	Reference Notes
<input checked="" type="checkbox"/> Action/Approval	<input checked="" type="checkbox"/> Project Delivery	<input type="checkbox"/> Livability/Land Use	
<input type="checkbox"/> Information	<input type="checkbox"/> Service Delivery	<input type="checkbox"/> Partnerships	
<input type="checkbox"/> Follow-up	<input type="checkbox"/> Resource Stewardship	<input type="checkbox"/> Agency Admin.	

1. Purpose:
 Final action of the Board in authorizing the condemnation of the parcel identified as Tax Map Keys 1-2-010-069 situated at 1930 Dillingham Boulevard, Honolulu, Hawaii 96817 which is required for permanent easement construction of the Honolulu Rail Transit Project (H RTP). The property is owned by RPTeixeira LLC.

2. Background/Justification
 Notification of the intent to exercise eminent domain had previously been sent to the Honolulu City Council along with HART Resolution 2016-5 on February 24, 2016. The City Council adopted Resolution No. 16-49 approving the action on March 16, 2016. Accordingly, under the Charter of the City and County of Honolulu section 17-103.2(b), HART may now properly proceed with the condemnation proceedings for this parcel.

3. Procurement Background
 N/A

4. Financial/Budget Impact
 The project budget includes an estimated cost for legal action associated with the condemnation of the property.

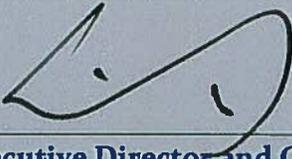
5. Policy Impact
 There is no policy impact since this action conforms to the requirement of the Uniform Relocation Act, FTA 5010.1D and Article XVII of the Charter of the City and County of Honolulu.

6. Public Involvement
 N/A

7. Alternatives
 There is no alternative given the proposed project schedule and the need to acquire the property as soon as possible in order to not delay the contractor in constructing the guideway.

8. Exhibits
 N/A

Certified and Recommended by:



Executive Director and CEO

3/7/16

Date

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-10

**AUTHORIZING THE ACQUISITION OF PERMANENT GUIDEWAY EASEMENT
OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP
KEY 1-5-007-028 (PORTION) BY EMINENT DOMAIN**

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain . . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, the City Council approved or did not object to the acquisition of the permanent guideway easement over, on, and across the real property identified as Tax Map Key (TMK) 1-5-007-028 (Portion) by eminent domain after written notification by HART; and

WHEREAS, the acquisition by eminent domain of said permanent guideway easement over, on, and across the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That acquisition by eminent domain of the permanent guideway easement over, on, and across the real property identified as TMK 1-5-007-028 (Portion) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and
2. That the acquisition of said easement by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and
3. That the acquisition of said easement by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and
4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and

5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on

_____.

Board Chair

ATTEST:

Board Administrator

Exhibit A – Legal description of TMK 1-5-007-028 (Portion)

REF
RR

HONOLULU RAIL TRANSIT PROJECT

EASEMENT C
(FOR GUIDEWAY PURPOSES)

Affecting Lot 16 (Map 1) of
Land Court Consolidation 97

Situate at Kuwili, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, being the East corner of Lot 17 (Map 1) of Land Court Consolidation 97, being also along the Southwest side of Kaaahi Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 1,740.27 feet North and 5,734.08 feet West thence running by azimuths measured clockwise from true South:

- 1. 326° 59' 68.53 feet along the Southwest side of Kaaahi Street;
- 2. 61° 37' 5.54 feet along Lot 15 (Map 1) of Land Court Consolidation 97;
- 3. 144° 16' 68.16 feet along the remainder of Lot 16 (Map 1) of Land Court Consolidation 97;
- 4. 236° 59' 8.76 feet along Lot 17 (Map 1) of Land Court Consolidation 97, to the point of beginning and containing an area of 487 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro 2/11/16

ERIK S. KANESHIRO
Licensed Professional Land Surveyor
Certificate No. 9826

Note: This description is for exhibit purposes and does not purport a legally subdivided lot.

Honolulu, Hawaii
February 11, 2016

TMK: (1) 1-5-007: 028
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 439 - Easement C.docx



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUAIH STREET, SUITE 207
HILO, HAWAII 96720

Honolulu Authority for Rapid Transportation

STAFF SUMMARY

TITLE: RESOLUTION NO. 2016-10 AUTHORIZING THE ACQUISITION OF PERMANENT GUIDEWAY EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 1-5-007-028 (PORTION) BY EMINENT DOMAIN	STAFF CONTACT: Jesse K. Souki Morris M. Atta	DATE: March 17, 2016
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Type:	Goal	Focus Area	Reference Notes
<input checked="" type="checkbox"/> Action/Approval	<input checked="" type="checkbox"/> Project Delivery	<input type="checkbox"/> Livability/Land Use	
<input type="checkbox"/> Information	<input type="checkbox"/> Service Delivery	<input type="checkbox"/> Partnerships	
<input type="checkbox"/> Follow-up	<input type="checkbox"/> Resource Stewardship	<input type="checkbox"/> Agency Admin.	

1. Purpose:
 Final action of the Board in authorizing the condemnation of the parcel identified as Tax Map Keys 1-5-007-028 situated at 513 Kaaahi Street, Honolulu, Hawaii 96817 which is required for permanent guideway easement construction of the Honolulu Rail Transit Project (H RTP). The property is owned by Rodney S. Yamauchi et al.

2. Background/Justification
 Notification of the intent to exercise eminent domain had previously been sent to the Honolulu City Council along with HART Resolution 2016-6 on February 24, 2016. The City Council adopted Resolution No. 16-50 approving the action on March 16, 2016. Accordingly, under the Charter of the City and County of Honolulu section 17-103.2(b), HART may now properly proceed with the condemnation proceedings for this parcel.

3. Procurement Background
 N/A

4. Financial/Budget Impact
 The project budget includes an estimated cost for legal action associated with the condemnation of the property.

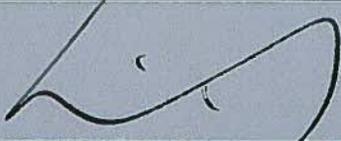
5. Policy Impact
 There is no policy impact since this action conforms to the requirement of the Uniform Relocation Act, FTA 5010.1D and Article XVII of the Charter of the City and County of Honolulu.

6. Public Involvement
 N/A

7. Alternatives
 There is no alternative given the proposed project schedule and the need to acquire the property as soon as possible in order to not delay the contractor in constructing the guideway.

8. Exhibits
 N/A

Certified and Recommended by:



Executive Director and CEO

3/17/16

Date

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-11

AUTHORIZING THE ACQUISITION OF PERMANENT EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 2-1-030-006, 2-1-030-007, 2-1-030-008, AND 2-1-030-009 (PORTIONS) BY EMINENT DOMAIN

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART “to acquire by eminent domain . . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;” and

WHEREAS, the City Council approved or did not object to the acquisition of the permanent easement over, on, and across the real property identified as Tax Map Keys (TMKS) 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions) by eminent domain after written notification by HART; and

WHEREAS, the acquisition by eminent domain of said permanent easement over, on, and across the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

- 1. That acquisition by eminent domain of the permanent easement over, on, and across the real property identified as TMKS 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and**
- 2. That the acquisition of said easement by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and**
- 3. That the acquisition of said easement by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and**
- 4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and**

5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on

_____.

Board Chair

ATTEST:

Board Administrator

Exhibit A – Legal description of TMKS 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions)

HONOLULU RAIL TRANSIT PROJECT

EASEMENT 6
(FOR GUIDEWAY PURPOSES)

Affecting a Portion of Royal Patent 7429,
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,569.51 feet South and 3,850.68 feet West thence running by azimuths measured clockwise from true South:

- 1. 320° 30' 40.00 feet along the Southwest side of Halekauwila Street;
- 2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
- 3. 140° 30' 40.00 feet along same;
- 4. 230° 30' 5.25 feet along Lot 13, Block B-3, as delineated on Bishop Estate Map 1044A, to the point of beginning and containing an area of 210 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.
Description Prepared By:

Erik S. Kaneshiro EXP 04/16
 ERIK S. KANESHIRO
 Licensed Professional Land Surveyor
 Certificate No. 9826

Honolulu, Hawaii
February 8, 2016

TMK: (1) 2-1-030: 006
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AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUAAHI STREET, SUITE 207
HILO, HAWAII 98720

HONOLULU RAIL TRANSIT PROJECT

**EASEMENT 7
(FOR GUIDEWAY PURPOSES)**

Affecting a Portion of Royal Patent 7429,
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,600.38 feet South and 3,825.24 feet West thence running by azimuths measured clockwise from true South:

1. 320° 30' 30.00 feet along the Southwest side of Halekauwila Street;
2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
3. 140° 30' 30.00 feet along same;
4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 158 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro

ERIK S. KANESHIRO

Licensed Professional Land Surveyor
Certificate No. 9826

Honolulu, Hawaii
February 8, 2016

TMK: (1) 2-1-030: 007

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AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUAAHI STREET, SUITE 207
HILO, HAWAII 96720

HONOLULU RAIL TRANSIT PROJECT

**EASEMENT 8
(FOR GUIDEWAY PURPOSES)**

Affecting a Portion of Royal Patent 7429,
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the East corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,623.53 feet South and 3,806.16 feet West thence running by azimuths measured clockwise from true South:

1. 320° 30' 28.00 feet along the Southwest side of Halekauwila Street;
2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
3. 140° 30' 28.00 feet along same;
4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 147 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.
Description Prepared By:

Erik S. Kaneshiro *EXP at 1/16*
ERIK S. KANESHIRO
Licensed Professional Land Surveyor
Certificate No. 9826

Honolulu, Hawaii
February 8, 2016

TMK: (1) 2-1-030: 008
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AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUHAHI STREET, SUITE 207
HILO, HAWAII 96720

HONOLULU RAIL TRANSIT PROJECT

EASEMENT 9
(FOR GUIDEWAY PURPOSES)

Affecting a Portion of Royal Patent 7429,
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,645.13 feet South and 3,788.35 feet West thence running by azimuths measured clockwise from true South:

- 1. 320° 30' 26.00 feet along the Southwest side of Halekauwila Street;
- 2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
- 3. 140° 30' 26.00 feet along same;
- 4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 137 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro ^{EXP 04/16}

ERIK S. KANESHIRO

Licensed Professional Land Surveyor
Certificate No. 9826

Honolulu, Hawaii
February 8, 2016

TMK: (1) 2-1-030: 009

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AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUAAHI STREET, SUITE 207
HILO, HAWAII 96720

Honolulu Authority for Rapid Transportation

STAFF SUMMARY

TITLE: RESOLUTION NO. 2016-11 AUTHORIZING THE ACQUISITION OF PERMANENT EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 2-1-030-006, 2-1-030-007, 2-1-030-008, AND 2-1-030-009 (PORTIONS) BY EMINENT DOMAIN	STAFF CONTACT: Jesse K. Souki Morris M. Atta	DATE: March 17, 2016
--	---	--------------------------------

Type:	Goal	Focus Area	Reference Notes
<input checked="" type="checkbox"/> Action/Approval	<input checked="" type="checkbox"/> Project Delivery	<input type="checkbox"/> Livability/Land Use	
<input type="checkbox"/> Information	<input type="checkbox"/> Service Delivery	<input type="checkbox"/> Partnerships	
<input type="checkbox"/> Follow-up	<input type="checkbox"/> Resource Stewardship	<input type="checkbox"/> Agency Admin.	

1. Purpose:
 Final action of the Board in authorizing the condemnation of the parcel identified as Tax Map Keys 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 situated at 557,561,565, and 536 Halekauwila Street, Honolulu, Hawaii 96813 which is required for permanent easement construction of the Honolulu Rail Transit Project (HRTTP). The property is owned by Hawaii State Federal Credit Union.

2. Background/Justification
 Notification of the intent to exercise eminent domain had previously been sent to the Honolulu City Council along with HART Resolution 2016-7 on February 24, 2016. The City Council adopted Resolution No. 16-51 approving the action on March 16, 2016. Accordingly, under the Charter of the City and County of Honolulu section 17-103.2(b), HART may now properly proceed with the condemnation proceedings for this parcel.

3. Procurement Background
 N/A

4. Financial/Budget Impact
 The project budget includes an estimated cost for legal action associated with the condemnation of the property.

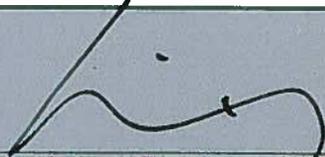
5. Policy Impact
 There is no policy impact since this action conforms to the requirement of the Uniform Relocation Act, FTA 5010.1D and Article XVII of the Charter of the City and County of Honolulu.

6. Public Involvement
 N/A

7. Alternatives
 There is no alternative given the proposed project schedule and the need to acquire the property as soon as possible in order to not delay the contractor in constructing the guideway.

8. Exhibits
 N/A

Certified and Recommended by:



Executive Director and CEO

3/17/16

Date

ATTACHMENT B

1 oriented development infrastructure authority to oversee and
2 manage the development of infrastructure at transit-oriented
3 development locations that are owned by the State. The
4 authority shall be placed within the department of business,
5 economic development, and tourism for administrative purposes.

6 (b) The authority shall consist of the following members:

7 (1) The director of finance or the director's designee;

8 (2) The director of transportation or the director's
9 designee;

10 (3) The director of the office of planning or the
11 director's designee;

12 (4) A cultural specialist;

13 (5) An at-large member nominated by the senate president;

14 (6) An at-large member nominated by the speaker of the
15 house; and

16 (7) The director of planning and permitting of the city
17 and county of Honolulu or the director's designee, who
18 shall serve in an ex officio, nonvoting capacity.

19 All members except the director of finance, director of
20 transportation, director of the office of planning, and county
21 director of planning and permitting or their designees shall be



1 appointed by the governor pursuant to section 26-34. The two
2 at-large members nominated by the senate president and speaker
3 of the house shall each be appointed by the governor from a list
4 of three nominees submitted for each position by the nominating
5 authority specified in this subsection.

6 In the event of a vacancy, a member shall be appointed to
7 fill the vacancy, in the same manner as the original
8 appointment, within thirty days of the vacancy or within ten
9 days of the senate's rejection, on advice and consent, of a
10 previous appointment to fill that vacancy, as applicable.

11 The terms of the director of finance, director of
12 transportation, director of the office of planning, and county
13 director of planning and permitting, or their respective
14 designees, shall run concurrently with each official's term of
15 office. The terms of the appointed voting members shall be for
16 four years, commencing on July 1 and expiring on June 30. The
17 governor shall provide for staggered terms of the initially
18 appointed voting members so that the initial term of one member
19 selected by lot shall be for two years, the initial term of one
20 member selected by lot shall be for three years, and the initial
21 term of the remaining member shall be for four years.



1 The governor may remove or suspend for cause any member
2 after due notice and public hearing.

3 Notwithstanding section 92-15 to the contrary, a majority
4 of all eligible voting members as specified in this subsection
5 shall constitute a quorum to do business, and the concurrence of
6 a majority of all eligible voting members as specified in this
7 subsection shall be necessary to make any action of the
8 authority valid. All members shall continue in office until
9 their respective successors have been appointed and qualified.
10 Except as herein provided, no member appointed under this
11 subsection shall be an officer or employee of the State or its
12 political subdivisions.

13 (c) The authority shall annually elect a chairperson and
14 vice chairperson from among its members.

15 (d) The members of the authority appointed under
16 subsection (b) shall serve without compensation, but each shall
17 be reimbursed for expenses, including travel expenses, incurred
18 in the performance of their duties.

19 § -3 Transit oriented development infrastructure
20 authority; jurisdiction established. The jurisdiction of the
21 authority shall include all infrastructure development along the



1 corridor, which includes all state property within one-quarter
2 mile from any rail station constructed as part of the high-
3 capacity transit corridor project in the city and county of
4 Honolulu. Any state development along the corridor shall
5 require a memorandum of understanding from the authority.

6 § -4 Transit oriented development infrastructure
7 authority; duties; policies. (a) The authority shall
8 facilitate, oversee, and manage the development of all
9 infrastructure on property belonging to the State within the
10 corridor; provided that development is carried out in accordance
11 with any county transit oriented development plans for lands
12 surrounding the corridor.

13 (b) With the approval of the governor, and in accordance
14 with state law governing lands owned by the department of
15 Hawaiian home lands, the authority, upon the concurrence of a
16 majority of its voting members, may modify and make changes to a
17 transit oriented development plan with respect to the corridor
18 to respond to changing conditions; provided that prior to
19 amending a transit oriented development plan, the authority
20 shall conduct a public hearing to inform the public of the
21 proposed changes and receive public input.



1 (c) The authority may engage in planning, design, and
2 construction activities within and outside the corridor;
3 provided that activities outside the corridor shall relate to
4 infrastructure development.

5 (d) The authority may undertake studies or coordinate
6 activities in conjunction with the county and appropriate state
7 agencies and may address facility systems, industrial
8 relocation, and other activities necessary for infrastructure
9 development in accordance with this section.

10 (e) In addition to any other duties that the authority may
11 have pursuant to this chapter, the authority, when facilitating
12 the development of infrastructure, shall:

- 13 (1) Preserve and protect Hawaiian archaeological,
14 historic, and cultural sites;
- 15 (2) Preserve endangered species of flora and fauna to the
16 extent feasible; and
- 17 (3) Coordinate infrastructure development with and, to the
18 extent possible, complement existing county and state
19 policies and plans affecting the corridor.

20 § -5 Transit oriented development infrastructure
21 authority special fund. (a) There is established in the state



1 treasury the transit oriented development infrastructure
2 authority special fund, into which shall be deposited:

- 3 (1) per cent of transient accommodations tax
4 revenues collected by the department of taxation under
5 section 237D-6.5, for the taxation district in which
6 the high-capacity transit corridor project is located;
- 7 (2) Appropriations by the legislature; and
- 8 (3) Gifts, donations, and grants from public agencies and
9 private persons.

10 All interest earned or accrued on moneys deposited in the
11 fund shall become part of the fund. The fund shall be
12 administered by the department; provided that the department may
13 contract with a public or private agency to provide the day-to-
14 day management of the fund.

15 (b) Moneys in the special fund shall be used only for the
16 purposes of this chapter, including administrative, personnel,
17 and operational costs of the authority.

18 § -6 Rules. The authority shall adopt rules in
19 accordance with chapter 91 to carry out the purposes of this
20 chapter."



1 SECTION 2. There is appropriated out of the general
 2 revenues of the State of Hawaii the sum of \$ or so much
 3 thereof as may be necessary for fiscal year 2016-2017 to be
 4 deposited into the transit oriented development infrastructure
 5 authority special fund.

6 SECTION 3. There is appropriated out of the transit
 7 oriented development infrastructure authority special fund the
 8 sum of \$ or so much thereof as may be necessary for
 9 fiscal year 2016-2017 for the purposes of this Act.

10 The sum appropriated shall be expended by the department of
 11 business, economic development, and tourism for the purposes of
 12 this Act.

13 SECTION 4. This Act shall not be applied so as to impair
 14 any contract existing as of the effective date of this Act in a
 15 manner violative of either the Hawaii State Constitution or
 16 Article I, section 10, of the United States Constitution.

17 SECTION 5. This Act shall take effect on July 1, 2016.

18

INTRODUCED BY:

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H.B. NO. 2179

Report Title:

Transit Oriented Development; Authority; Infrastructure;
Appropriation

Description:

Establishes a Transit Oriented Development Authority within the Department of Business, Economic Development, and Tourism to oversee and manage development of infrastructure on state lands within one-quarter mile radius of rail stations.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



A BILL FOR AN ACT

RELATING TO STATEWIDE COMMUNITY PLAN.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that with Honolulu's
2 construction of an elevated rail transit system, the State has
3 an opportunity to enhance Oahu's urban environment and increase
4 the quality of life for residents by utilizing sound smart
5 growth and transit-oriented development principles to revitalize
6 neighborhoods and increase affordable housing inventory, among
7 other public benefits. In 2008, the city and county of Honolulu
8 established a transit-oriented development program to permit the
9 creation of special zoning districts. Since then, the city and
10 county of Honolulu has been working with the community to create
11 neighborhood transit-oriented development plans around each of
12 the twenty-one rail stations along the twenty mile transit
13 corridor. As the largest landowner of properties along the
14 transit line, with approximately two thousand acres under the
15 jurisdiction of various departments, the State must be proactive
16 and place a priority on planning with a statewide policy
17 perspective, rather than a departmental mission perspective, to



1 maximize the benefits of state lands available for
2 redevelopment.

3 To ensure that the State has a unified vision and approach
4 toward redevelopment of its properties, the purpose of this Act
5 is to designate the office of planning as the lead agency to
6 coordinate and advance transit-oriented development planning in
7 the State and require that the office of planning approve all
8 state agencies' development plans for parcels along the rail
9 transit corridor, including any properties that the State may
10 obtain in the future.

11 SECTION 2. Section 225M-1, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "§225M-1 Purpose. The purpose of this chapter is to
14 establish an office of planning to assist the governor and the
15 director of business, economic development, and tourism in
16 maintaining an overall framework to guide the development of the
17 State through a continuous process of comprehensive, long-range,
18 and strategic planning to meet the physical, economic, and
19 social needs of Hawaii's people, and provide for the wise use of
20 Hawaii's resources in a coordinated, efficient, and economical
21 manner, including the conservation of those natural,



1 environmental, recreational, scenic, historic, and other limited
2 and irreplaceable resources which are required for future
3 generations.

4 The establishment of an office of planning in the
5 department of business, economic development, and tourism, for
6 administrative purposes, is intended to:

- 7 (1) Fix responsibility and accountability to successfully
8 carry out statewide planning programs, policies, and
9 priorities;
- 10 (2) Improve the efficiency and effectiveness of the
11 operations of the executive branch;
- 12 (3) Ensure comprehensive planning and coordination to
13 enhance the quality of life of the people of
14 Hawaii[-]; and
- 15 (4) Coordinate and advance smart growth and transit-
16 oriented development planning within the State."

17 SECTION 3. Section 225M-2, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "§225M-2 Office of planning, establishment;
20 responsibilities. (a) There is established within the
21 department of business, economic development, and tourism an



1 office of planning. The head of the office shall be known as
2 the director of the office of planning, referred to in this
3 chapter as director. The director shall have: training in the
4 field of urban or regional planning, public administration, or
5 other related fields; experience in programs or services related
6 to governmental planning; and experience in a supervisory,
7 consultative, or administrative capacity. The director shall be
8 nominated by the governor and, by and with the advice and
9 consent of the senate, appointed by the governor without regard
10 to chapter 76, and shall be compensated at a salary level set by
11 the governor. The director shall be included in any benefit
12 program generally applicable to the officers and employees of
13 the State. The director shall retain such staff as may be
14 necessary for the purposes of this chapter, in conformity with
15 chapter 76. The director shall report to the director of
16 business, economic development, and tourism and shall not be
17 required to report directly to any other principal executive
18 department.

19 (b) The office of planning shall gather, analyze, and
20 provide information to the governor to assist in the overall
21 analysis and formulation of state policies and strategies to



1 provide central direction and cohesion in the allocation of
2 resources and effectuation of state activities and programs and
3 effectively address current or emerging issues and
4 opportunities. More specifically, the office shall engage in
5 the following activities:

- 6 (1) State comprehensive planning and program coordination.
7 Formulating and articulating comprehensive statewide
8 goals, objectives, policies, and priorities, and
9 coordinating their implementation through the
10 statewide planning system established in part II of
11 chapter 226;
- 12 (2) Strategic planning. Identifying and analyzing
13 significant issues, problems, and opportunities
14 confronting the State, and formulating strategies and
15 alternative courses of action in response to
16 identified problems and opportunities by:
- 17 (A) Providing in-depth policy research, analysis, and
18 recommendations on existing or potential areas of
19 critical state concern;



- 1 (B) Examining and evaluating the effectiveness of
2 state programs in implementing state policies and
3 priorities;
- 4 (C) Monitoring through surveys, environmental
5 scanning, and other techniques--current social,
6 economic, and physical conditions and trends; and
- 7 (D) Developing, in collaboration with affected public
8 or private agencies and organizations,
9 implementation plans and schedules and, where
10 appropriate, assisting in the mobilization of
11 resources to meet identified needs;
- 12 (3) Planning coordination and cooperation. Facilitating
13 coordinated and cooperative planning and policy
14 development and implementation activities among state
15 agencies and between the state, county, and federal
16 governments, by:
- 17 (A) Reviewing, assessing, and coordinating, as
18 necessary, major plans, programs, projects, and
19 regulatory activities existing or proposed by
20 state and county agencies;



- 1 (B) Formulating mechanisms to simplify, streamline,
2 or coordinate interagency development and
3 regulatory processes; and
- 4 (C) Recognizing the presence of federal defense and
5 security forces and agencies in the State as
6 important state concerns;
- 7 (4) Statewide planning and geographic information system.
8 Collecting, integrating, analyzing, maintaining, and
9 disseminating various forms of data and information,
10 including geospatial data and information, to further
11 effective state planning, policy analysis and
12 development, and delivery of government services by:
 - 13 (A) Collecting, assembling, organizing, evaluating,
14 and classifying existing geospatial and non-
15 geospatial data and performing necessary basic
16 research, conversions, and integration to provide
17 a common database for governmental planning and
18 geospatial analyses by state agencies;
 - 19 (B) Planning, coordinating, and maintaining a
20 comprehensive, shared statewide planning and
21 geographic information system and associated



1 geospatial database. The office shall be the
2 lead agency responsible for coordinating the
3 maintenance of the multi-agency, statewide
4 planning and geographic information system and
5 coordinating, collecting, integrating, and
6 disseminating geospatial data sets that are used
7 to support a variety of state agency applications
8 and other spatial data analyses to enhance
9 decision-making. The office shall promote and
10 encourage free and open data sharing among and
11 between all government agencies. To ensure the
12 maintenance of a comprehensive, accurate, up-to-
13 date geospatial data resource that can be drawn
14 upon for decision-making related to essential
15 public policy issues such as land use planning,
16 resource management, homeland security, and the
17 overall health, safety, and well-being of
18 Hawaii's citizens, and to avoid redundant data
19 development efforts, state agencies shall provide
20 to the shared system either their respective
21 geospatial databases or, at a minimum, especially



1 in cases of secure or confidential data sets that
2 cannot be shared or must be restricted, metadata
3 describing existing geospatial data. In cases
4 where agencies provide restricted data, the
5 office of planning shall ensure the security of
6 that data; and

7 (C) Maintaining a centralized depository of state and
8 national planning references;

9 (5) Land use planning. Developing and presenting the
10 position of the State in all boundary change petitions
11 and proceedings before the land use commission,
12 assisting state agencies in the development and
13 submittal of petitions for land use district boundary
14 amendments, and conducting periodic reviews of the
15 classification and districting of all lands in the
16 State, as specified in chapter 205;

17 (6) Coastal and ocean policy management. Carrying out the
18 lead agency responsibilities for the Hawaii coastal
19 zone management program, as specified in chapter 205A.
20 Also, developing and maintaining an ocean and coastal
21 resources information, planning, and management system



1 further developing and coordinating implementation of
2 the ocean resources management plan, and formulating
3 ocean policies with respect to the exclusive economic
4 zone, coral reefs, and national marine sanctuaries;

5 (7) Regional planning and studies. Conducting plans and
6 studies to determine:

7 (A) The capability of various regions within the
8 State to support projected increases in both
9 resident populations and visitors;

10 (B) The potential physical, social, economic, and
11 environmental impact on these regions resulting
12 from increases in both resident populations and
13 visitors;

14 (C) The maximum annual visitor carrying capacity for
15 the State by region, county, and island; and

16 (D) The appropriate guidance and management of
17 selected regions and areas of statewide critical
18 concern.

19 The studies in subparagraphs (A) to (C) shall be
20 conducted at appropriate intervals, but not less than
21 once every five years;



- 1 (8) Regional, national, and international planning.
2 Participating in and ensuring that state plans,
3 policies, and objectives are consistent, to the extent
4 practicable, with regional, national, and
5 international planning efforts; ~~and~~
- 6 (9) Climate adaptation planning. Conducting plans and
7 studies and preparing reports as follows:
- 8 (A) Develop, monitor, and evaluate strategic climate
9 adaptation plans and actionable policy
10 recommendations for the State and counties
11 addressing expected statewide climate change
12 impacts identified under Act 286, Session Laws of
13 Hawaii 2012, through the year 2050;
- 14 (B) Provide planning and policy guidance and
15 assistance to state and county agencies regarding
16 climate change; and
- 17 (C) Publish its findings, recommendations, and
18 progress reports on actions taken no later than
19 December 31, 2017, and its annual report to the
20 governor and the legislature thereafter~~[-]~~; and



1 (10) Smart growth and transit-oriented development. Acting
2 as the lead agency to coordinate and advance smart
3 growth and transit-oriented development planning
4 within the State as follows:

5 (A) Identify transit-oriented development
6 opportunities shared between state and county
7 agencies, including relevant initiatives such as
8 the department of health's healthy Hawaii
9 initiative and the Hawaii clean energy
10 initiative;

11 (B) Refine the definition of "transit-oriented
12 development" in the context of Hawaii, while
13 recognizing the potential for smart growth
14 development patterns in all locations;

15 (C) Clarify state goals for transit-oriented
16 development and smart growth that support the
17 principles of the Hawaii State Planning Act by
18 preserving non-urbanized land, improving worker
19 access to jobs, and reducing fuel consumption;



- 1 (D) Target transit-oriented development areas for
2 significant increase in affordable housing and
3 rental units;
- 4 (E) Conduct outreach to state agencies to help
5 educate state employees about the ways they can
6 support and benefit from transit-oriented
7 development and the State's smart growth goals;
- 8 (F) Publicize coordinated state efforts that support
9 smart growth, walkable neighborhoods, and
10 transit-oriented development;
- 11 (G) Review state land use decision-making processes
12 to identify ways to make transit-oriented
13 development a higher priority and facilitate
14 better and more proactive leadership in creating
15 walkable communities and employment districts,
16 even if transit will only be provided at a later
17 date; and
- 18 (H) Approve all state agencies' development plans for
19 parcels along the rail transit corridor pursuant
20 to subsection (c).



1 (c) No state executive agency, including any state
2 department, office, board, or commission, shall begin design or
3 construction, or enter into development agreements for parcels
4 along the rail transit corridor, including any properties that
5 the State may obtain in the future, unless the office of
6 planning approves the respective agency's development plan."

7 SECTION 4. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$ or so
9 much thereof as may be necessary for fiscal year 2016-2017 for
10 one full-time equivalent (1.0 FTE) branch chief position within
11 the office of planning for the purposes of this Act.

12 The sum appropriated shall be expended by the office of
13 planning for the purposes of this Act.

14 SECTION 5. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 6. This Act shall take effect on July 1, 2016.

17



Report Title:

Transit-oriented Development; Office of Planning; Appropriation

Description:

Designates the office of planning as the lead agency to coordinate and advance smart growth and transit-oriented development planning in the State. Requires that the office of planning approve all state agencies' and executive branch agencies' development plans for parcels along the rail transit corridor, including any properties that the State may obtain in the future. Appropriates funds to the office of planning.

(SD1)

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JAN 27 2016

A BILL FOR AN ACT

RELATING TO STATEWIDE COMMUNITY PLANNING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that in 2015, the ad-hoc
2 state transit-oriented development task force was convened to
3 identify and determine priority sites and projects that should
4 be considered for transit-oriented development master planning
5 and development. Task force members included state and city and
6 county agencies, elected officials, and numerous private
7 individuals and entities. In December 2015, the task force
8 submitted a report to the legislature, which included various
9 recommendations such as formally constituting the state transit-
10 oriented development task force to promote effective and
11 efficient transit-oriented development planning and coordination
12 in developing a unified action plan for transit-oriented
13 development on state transit-oriented development projects.

14 The purpose of this Act is to establish a transit-oriented
15 development advisory group to develop, in collaboration with the
16 office of planning, a unified action plan for the implementation
17 of transit-oriented development on a statewide level.



1 SECTION 2. (a) There is established a transit-oriented
2 development advisory group to be convened and overseen by the
3 office of planning.

4 (b) Utilizing the city and county of Honolulu's transit-
5 oriented development zoning ordinances and planning efforts as a
6 baseline, the transit-oriented development advisory group shall
7 collaborate with the office of planning to develop a unified
8 action plan for the implementation of transit-oriented
9 development on a statewide level.

10 (c) The transit-oriented development advisory group shall
11 be comprised of the following members:

- 12 (1) The director of the office of planning, or the
13 director's designee;
- 14 (2) The comptroller, or the comptroller's designee;
- 15 (3) The chairperson of the board of agriculture, or the
16 chairperson's designee;
- 17 (4) The superintendent of education, or the
18 superintendent's designee;
- 19 (5) The chairperson of the Hawaiian homes commission, or
20 the chairperson's designee;



S.B. NO. 3077

- 1 (6) The chairperson of the board of land and natural
2 resources, or the chairperson's designee;
- 3 (7) The director of public safety, or the director's
4 designee;
- 5 (8) The director of transportation, or the director's
6 designee;
- 7 (9) The executive director of the Hawaii community
8 development authority, or the director's designee;
- 9 (10) The executive director of the Hawaii housing finance
10 and development corporation, or the director's
11 designee;
- 12 (11) The executive director of the Hawaii public housing
13 authority, or the director's designee;
- 14 (12) The chairperson of the stadium authority, or the
15 chairperson's designee;
- 16 (13) The president of the University of Hawaii system, or
17 the president's designee;
- 18 (14) One member of the senate appointed by the president of
19 the senate;
- 20 (15) One member of the house of representatives appointed
21 by the speaker of the house of representatives;



S.B. NO. 3077

1 (16) A representative from the city and county of Honolulu
2 department of planning and permitting; and

3 (17) Any other entity as determined by the office of
4 planning.

5 (d) The transit-oriented development advisory group shall
6 convene periodically as determined by the office of planning.

7 All meetings by the advisory group shall be open to the public.

8 (e) The members of the transit-oriented development
9 advisory group shall receive no compensation but shall be
10 reimbursed for necessary expenses, including travel expenses,
11 incurred in the performance of their duties as members of the
12 committee.

13 SECTION 3. This Act shall take effect on July 1, 2016.

14

INTRODUCED BY:

Bruce Hunt

Uunakiahihi Matt

Will Taylor
John

Samuel

Lorraine L. Inoué

Erzanna Chun Alalana

Joe
MUN. W.

DC. Fish
...



S.B. NO. 3077

Report Title:

Statewide Community Planning; Transit-oriented Development;
Transit-oriented Development Advisory Group

Description:

Establishes a transit-oriented development advisory group to develop, in collaboration with the office of planning, a unified action plan for the implementation of transit-oriented development on a state level.

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Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-12

REGARDING THE POSITION OF THE BOARD OF DIRECTORS OF THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION ON TRANSIT ORIENTED DEVELOPMENT LEGISLATION

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973 , as amended (RCH); and

WHEREAS, RCH Section 17-103 2(n) authorizes HART to “promote, create and assist transit oriented development projects near fixed guideway system stations that promote transit ridership, and are consistent with the intent of the adopted community plans and zoning”; and

WHEREAS, there are transit-oriented development related measure that have passed Third Reading in the originating chamber of the State Legislature; and

WHEREAS, HB2199 Relating to Transit Oriented Development seeks to establish a transit oriented development (TOD) infrastructure authority within the Department of Business, Economic Development, and Tourism to facilitate, oversee and manage development of infrastructure on state lands within one-quarter mile radius of rail stations; and establish a transit oriented development infrastructure special fund to include a percentage of transient accommodations tax revenues, appropriations from the Legislature, and gifts, donations, and grants from private persons; and

WHEREAS, SB 3076 Relating to Statewide Community Plan seeks to seeks to designate the Office of Planning as the lead agency to coordinate and advance transit-oriented development planning in the State; and require that the Office of Planning approve all state agencies’ development plans for parcels along the rail transit corridor, including any properties that the State may obtain in the future; and

WHEREAS, SB3077 Relating to Statewide Community Plan seeks to establish a transit-oriented development advisory group to develop, in collaboration with the Office of Planning, a unified action plan for the implementation of transit-oriented development on a State level; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of HART supports the intent of HB2199 Relating to Transit Oriented Development, SB 3076 and SB3077 Relating to Statewide Community Plan for the following reasons:

1. The HART Board favors and supports legislative measures which maximizes the potential for TOD, promotes interagency collaboration and infrastructure development to facilitate TOD; and

2. TOD provides a unique opportunity to foster more livable communities that take advantage of the benefits of transit, including reducing transportation costs for residents, businesses and workers while improving mobility and circulation in the station area for all modes of travel; and
3. TOD projects within a half-mile radius of rail stations can take advantage of direct walk access to the rail system—leveraging the substantial public investment in the transit capacity and promoting more sustainable and healthier mobility options; and
4. High density, mixed use development and improved multimodal access to stations, which are commonly associated with TOD, can contribute to HART’s farebox revenue and offset operational expenses; and
5. The HART Executive Director and CEO is authorized to submit testimony on pertinent legislation consistent with the overall policies set forth herein; and
6. This Resolution shall take effect immediately upon its adoption.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on

_____.

Board Chair

ATTEST:

Board Administrator



IN REPLY REFER TO:
CMS-AP00-XXXXX

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

BOARD OF DIRECTORS

Donald G. Horner
CHAIR

Damien T.K. Kim
VICE CHAIR

George I. Atta
Michael D. Formby
Ford N. Fuchigami
Terri Fujii
Colleen Hanabusa
William "Buzz" Hong
Terrence M. Lee
Ivan M. Lui-Kwan

Statement of
DANIEL A. GRABAUSKAS
Executive Director and CEO, Honolulu Authority for Rapid Transportation
before the

[INSERT COMMITTEE NAME]
[date and time of hearing]

In consideration of
HB2199
RELATING TO TRANSIT-ORIENTED DEVELOPMENT

On behalf of its Board of the Directors, the Honolulu Authority for Rapid Transportation (HART) **supports the intent** of HB2199, which seeks to:

1. establish a **transit oriented development (TOD) infrastructure authority** within the Department of Business, Economic Development, and Tourism to facilitate, oversee and manage development of infrastructure on state lands within one-quarter mile radius of rail stations; and
2. establish a **transit oriented development infrastructure special fund** to include a percentage of transient accommodations tax revenues, appropriations from the Legislature, and gifts, donations, and grants from private persons.

The Honolulu Authority for Rapid Transportation (HART) generally supports interagency collaboration and infrastructure development to facilitate transit-oriented development (TOD).

TOD provides a unique opportunity to foster more livable communities that take advantage of the benefits of transit, including reducing transportation costs for residents, businesses, and workers while improving mobility and circulation in the station area for all modes of travel. TOD projects within a half-mile radius of rail stations can take advantage of direct walk access to the rail system—leveraging the substantial public investment in the transit capacity and promoting more sustainable and healthier mobility options.

Furthermore, high density, mixed use development and improved multimodal access to stations, which are commonly associated with TOD, can contribute to HART's farebox revenue and offset operational expenses.

HART will continue to coordinate with appropriate state and county agencies to support transit-oriented development.

Thank you for the opportunity to provide this testimony.

A BILL FOR AN ACT

RELATING TO PROCUREMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the procurement
2 process is in need of clear legislative direction to award state
3 contracts to responsible bidders or offerors through the state
4 procurement process, to increase accountability with performance
5 on state contracts, and to more efficiently utilize taxpayer
6 dollars. Some state contracts may currently be awarded to the
7 lowest bidder through the invitation for bid process without
8 regard to poor past performance. Such bidders may be considered
9 qualified despite poor performance on state contracts in the
10 past, which may result in repeated inefficiencies and
11 substandard work.

12 The purpose of this Act is to:

- 13 (1) Require past performance to be considered in future
14 bid selection of a contractor; and
- 15 (2) Require departments to consider available assessments
16 of previous performance on relevant and recent
17 government contracts when making contract awards.



1 SECTION 2. Section 103D-104, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By adding a new definition to be appropriately inserted
4 and to read:

5 "Past performance" means available recent and relevant
6 performance of a contractor on state, federal, or private
7 contracts that shall be considered in a responsibility
8 determination within the relevance of the current solicitation,
9 including but not limited to legal action."

10 2. By amending the definition of "responsible bidder or
11 offeror" to read:

12 "Responsible bidder or offeror" means a person who has the
13 capability in all respects to perform fully the contract
14 requirements, and the integrity and reliability [which] that
15 will assure good faith performance[-], pursuant to the
16 responsibility determination standards adopted by the policy
17 board."

18 SECTION 3. Section 103D-302, Hawaii Revised Statutes, is
19 amended by amending subsection (f) to read as follows:

20 "(f) Bids shall be evaluated based on the requirements set
21 forth in the invitation for bids. These requirements may



1 include criteria to determine acceptability such as inspection,
2 testing, quality, workmanship, delivery, and suitability for a
3 particular purpose. Those criteria that will affect the bid
4 price and be considered in evaluation for award shall be as
5 objectively measurable[-] as possible, such as discounts,
6 transportation costs, [~~and~~] total or life cycle costs[-], and
7 the bidder's past performance on projects of similar scope for
8 public agencies, including but not limited to notices of
9 deficiencies, legal actions, failure to complete a procurement
10 contract, and assessments of the bidder's prior work. The
11 invitation for bids shall set forth the evaluation criteria to
12 be used. No criteria may be used in bid evaluation that are not
13 set forth in the invitation for bids."

14 SECTION 4. Section 103D-303, Hawaii Revised Statutes, is
15 amended by amending subsection (g) to read as follows:

16 "(g) Award shall be made to the responsible offeror whose
17 proposal is determined in writing to be the most advantageous,
18 taking into consideration price and the evaluation factors set
19 forth in the request for proposals[-], which shall include the
20 offeror's past performance on projects of similar scope for
21 public agencies, including but not limited to notices of



1 deficiencies, legal actions, failure to complete a procurement
2 contract, and assessments of the offeror's prior work. No
3 [~~other factors or~~] criteria [shall] may be used in the
4 evaluation[-] that are not set forth in the request for
5 proposals. The contract file shall contain the basis on which
6 the award is made."

7 SECTION 5. Section 103D-306, Hawaii Revised Statutes, is
8 amended by amending subsection (a) to read as follows:

9 "(a) A contract may be awarded for goods, services, or
10 construction without competition when the head of a purchasing
11 agency determines in writing that there is only one source for
12 the required good, service, or construction, the determination
13 is reviewed and approved by the chief procurement officer, the
14 written determination is posted in the manner described in rules
15 adopted by the policy board, a review of past performance has
16 been conducted, and no objection is outstanding. The written
17 determination, any objection, past performance evaluations
18 relied upon, and a written summary of the disposition of any
19 objection shall be included in the contract file."

20 SECTION 6. Section 103D-310, Hawaii Revised Statutes, is
21 amended by amending subsection (b) to read as follows:



1 "(b) Whether or not an intention to bid is required, the
2 procurement officer shall [~~determine~~] make a responsibility
3 determination for any awardee, pursuant to rules adopted by the
4 policy board, including whether the prospective offeror has the
5 financial ability, resources, skills, capability, and business
6 integrity necessary to perform the work. For [~~this~~] the
7 purpose[~~, the~~] of making a responsibility determination, the
8 procurement officer shall possess or obtain available
9 information sufficient to be satisfied that a prospective
10 offeror meets the applicable standards set forth by the policy
11 board. The procurement officer shall consider past performance
12 of the offeror as it applies to a responsibility determination
13 for the current solicitation. The officer, in the officer's
14 discretion, may also require any prospective offeror to submit
15 answers, under oath, to questions contained in a standard form
16 of questionnaire to be prepared by the policy board. Whenever
17 it appears from answers to the questionnaire or otherwise, that
18 the prospective offeror is not fully qualified and able to
19 perform the intended work, a written determination of
20 nonresponsibility of an offeror shall be made by the head of the
21 purchasing agency, in accordance with rules adopted by the



1 policy board. The unreasonable failure of an offeror to
2 promptly supply information in connection with an inquiry with
3 respect to responsibility may be grounds for a determination of
4 nonresponsibility with respect to such offeror. The decision of
5 the head of the purchasing agency shall be final unless the
6 offeror applies for administrative review pursuant to section
7 103D-709."

8 SECTION 7. Section 103D-320, Hawaii Revised Statutes, is
9 amended to read as follows:

10 " [+]§103D-320 [>] Retention of procurement records [-];
11 evaluations. All procurement records shall be retained and
12 disposed of in accordance with chapter 94 and records retention
13 guidelines and schedules approved by the comptroller [-];
14 provided that upon completion of a procurement contract, the
15 department that issued the request for proposals shall evaluate
16 the work and performance of the respective contractors and
17 maintain the evaluations in the department's files."

18 SECTION 8. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$ or so much
20 thereof as may be necessary for fiscal year 2016-2017 for the
21 purposes of implementing this Act.



1 The sum appropriated shall be expended by the state
2 procurement office for the purposes of this Act.

3 SECTION 9. This Act does not affect rights and duties that
4 matured, penalties that were incurred, and proceedings that were
5 begun before its effective date.

6 SECTION 10. If any provision of this Act, or the
7 application thereof to any person or circumstance, is held
8 invalid, the invalidity does not affect other provisions or
9 applications of the Act that can be given effect without the
10 invalid provision or application, and to this end the provisions
11 of this Act are severable.

12 SECTION 11. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 12. This Act shall take effect on July 1, 2050;
15 provided that section 8 shall take effect on July 1, 2016.



Report Title:

Procurement; Past Performance; Criteria; Sole Source;
Evaluation; Appropriation

Description:

Requires past performance to be factored into future bid selection of a contractor. Defines past performance. Requires past performance to be considered in sole source procurement. Requires that upon completion of a procurement contract, the department that issued the request for proposal shall evaluate the work and performance of the respective contractors and maintain the evaluations in the department's files. Appropriates funds. Effective 7/1/2050. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



DAVID Y. IGE
GOVERNOR



SARAH ALLEN
ADMINISTRATOR

PAULA A. YOUNGLING
ASSISTANT ADMINISTRATOR

**STATE OF HAWAII
STATE PROCUREMENT OFFICE**

P.O. Box 119
Honolulu, Hawaii 96810-0119
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<http://spo.hawaii.gov>

TESTIMONY
OF
SARAH ALLEN, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEE
ON
WAYS AND MEANS
FEBRUARY 26, 2016; 9:45 AM

SB2501 SD1
RELATING TO PROCUREMENT

Chair Tokuda, Vice-Chair Dela Cruz and members of the committee, thank you for the opportunity to submit testimony on SB2501 SD1.

The SPO SUPPORTS the intent of past performance consideration when awarding contracts and submits additional comments in regards to this measure.

SPO submitted a full report to Legislature in January 2015 denoting the challenges to the past performance issue as well as a recommended set of phases for implementation (REF: REPORT ON THE STUDY ON PAST PERFORMANCE CONSIDERATION IN HAWAII CONTRACTING)

- a. In Phase I of SPO's recommendations for implementation of a past performance system, a responsibility determination be made on all procurements prior to the award of any contract and that contractor past performance be assessed as part of that responsibility determination. At first, in regards to competitive sealed bidding, this determination would be made on the basis of references and additional documentation that the proposer includes in their bid/proposal. It is SPO's belief that no matter what criteria you might choose to evaluate a bidder, ultimately, the bidder must be responsible in order to do business with the State.
- b. In respect of Competitive Sealed Bidding, the bill states that evaluation criteria should include: "bidder's past performance on projects of similar scope for public agencies, including but not limited to notices of deficiencies, legal actions, failure to complete a procurement contract, and assessments of the bidder's prior work."

It is imperative that the State create a record of past performance that is based on truth and fairness, and can be validated by formal documentation collected throughout the contract period that clearly shows the onus is on the contractor alone. In addition, it is also critical to develop this information as

to what positive areas the contractor has been able to achieve, i.e., ahead of schedule, in or under budget. The collection of past performance is to develop a record of responsible contractors and to encourage contractors to constantly be looking to improve performance.

Two major logistical challenges exist.

1. There is no past performance database that Procurement Officers can access. In our Past Performance Report, SPO recommends this as Phase II of the implementation process. We surmise a stand-alone State-wide past performance database could cost as much as \$4 million not including at least a 23% per year maintenance fee. Another option is to fund the \$2.5 million implementation of a robust eProcurement system that would be mandated for the Executive Branch, but also be available to any Agency across the State. This system would include the ability to collect information on contract performance, and give much needed transparency and consistency to the manner in which procurements are conducted. This is a self-funded model, and so no continuing maintenance fees would be required after initial implementation (REF: STATE PROCUREMENT OFFICE STRATEGIC PLAN, attached)
2. Second, there is no formal, available assessment of a bidder's prior work. Agencies and Departments typically assess a contractor's performance in varying ways, with differing policies, procedures and forms. Any assessment conducted may or may not be kept in the contract files. Certainly, these assessments are not readily available outside of the originator's division. Post-award contract management is an area where many States and Commercial companies struggle and a series of areas needs to be addressed such as training, consistency in forms and policy, and a database for collection. Here to, an eProcurement system would be most helpful as it would have the capability to search for construction contracts, and the visibility to see the contract information.

Act 182 was passed at the last Legislative Session (2015) extending the Procurement Task Force to continue its work. It was tasked "specifically to examine and recommend past performance standards and statewide processes in order to promote economy, efficiency, effectiveness, and impartiality in procurement for state and county government." Those findings should be reviewed.

There are many areas of policy, procedure, infrastructure and logistical issues to be considered in implementing past performance. These can be addressed in Hawaii Administrative Rules. Resources will be required such as staffing to develop definitions, policies and procedures. This will entail meeting with stakeholders including, procurement personnel, vendors, departments and members of the community. Infrastructure must be created whereby each contracting unit may have access to enter and view performance data. There must also be a procedure for due process for vendors to respond to evaluations of their performance. Resources will also be needed for change management and training for personnel involved in procurement and contract administration as well as for vendors. For strong and robust implementation of Phase I, funds of at least \$130,000 would be required.

Lastly, in section 2, page 2, Line 6 the definition of past performance includes past performance of a contractor on "state, federal, or private contracts". In Section 3, page 3, line 8 and Section 4, page 3 line 21 the reference is to evaluating past performance on similar contracts for "public agencies." The contradiction makes it unclear as to what past performance is to be based upon.

Thank you.

Attachment: SPO Initiatives

Links:

[Past Performance Report](http://spo.hawaii.gov/wp-content/uploads/2015/01/SPO-Past-Performance-Legislative-Report-submitted.pdf) (http://spo.hawaii.gov/wp-content/uploads/2015/01/SPO-Past-Performance-Legislative-Report-submitted.pdf)

[Past Performance Report Appendices](http://spo.hawaii.gov/wp-content/uploads/2015/01/Appendices-for-Past-Performance-Report.pdf) (http://spo.hawaii.gov/wp-content/uploads/2015/01/Appendices-for-Past-Performance-Report.pdf)



Testimony by:
FORD N. FUCHIGAMI
DIRECTOR

Deputy Directors
JADE T. BUTAY
ROSS M. HIGASHI
EDWIN H. SNIFFEN
DARRELL T. YOUNG

IN REPLY REFER TO:

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

February 26, 2016
9:45 a.m.
State Capitol, Room 211

SB 2501, S.D. 1
RELATING TO PROCUREMENT

Senate Committee on Ways and Means

The DOT **supports** the intent of SB 2501 that proposes to consider past performance in future bid selection of a contractor under the Competitive Sealed Bid (CSB) provisions of the Procurement Code, HRS § 103D-302.

The proposed definition of past performance includes consideration of past performance as a responsibility determination. The determination of contractor responsibility has always been a requirement under the Procurement Code, and is consistent with the definition of the responsible bidder, “a person who has the capability in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.”

The purchasing agency has the flexibility to include provisions in the specifications that help to determine the responsibility of bidders. For example, a specification proviso, “contractor shall have performed similar work for at least two years prior to the bid date. Failure to meet this requirement shall be cause of disqualification.” During bid evaluation, certain items are verified. If, during bid evaluation, the purchasing agency has any doubts on the responsibility of the bidder, the purchasing agency may, under HRS § 103D-310, “inquire whether the bidder has the financial ability, resources, skills, capability, and business integrity necessary to perform the work...the purchasing agency may require the bidder to submit answers, under oath, to questions contained in a standard form of questionnaire...whenever it appears from answers to the questionnaire or otherwise, that the prospective offeror is not fully qualified and able to perform the intended work, a written determination of nonresponsibility of an offeror shall be made by the purchasing agency.” The proposed revisions to HRS § 103D-310 is consistent.

This proposed revision of consideration of contractor’s notices of deficiencies, legal actions, failure to complete a procurement contract, and assessments of the bidder’s

prior work is rooted in the intent of the purchasing agency's underlying ethical duties under the Procurement Code.¹

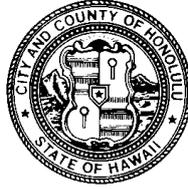
However, including past performance as an evaluation factor in the HRS § 103D-303, Competitive Sealed Proposal (CSP), and HRS §103D-306, Sole Source methods of procurement is not necessary as the procurement code already includes the inclusion of past performance for these methods of procurement.

Thank you for the opportunity to provide testimony.

¹ § 103D-101 “(1) as fiduciary and trustee of public moneys;...(3) [a]ct only in the public interest;...(5)[i]dentify and maximize efficiencies in the public procurement process.”

DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813
PHONE: (808) 768-3900 • FAX: (808) 768-3179 • INTERNET: www.honolulu.gov

KIRK CALDWELL
MAYOR



NELSON H. KOYANAGI, JR.
DIRECTOR

GARY T. KUROKAWA
DEPUTY DIRECTOR

TESTIMONY OF NELSON H. KOYANAGI, JR.
DIRECTOR OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS
9:45 a.m., February 26, 2016, Conference Room 211

Senate Bill No. 2501 SD1 "Relating to Procurement"

Position: IN OPPOSITION

TO: The Honorable Senator Jill N. Tokuda, Chair
and Members of the Committee on Ways and Means

The Department of Budget and Fiscal Services, City and County of Honolulu, **opposes** Senate Bill No. 2501 SD1, Relating to Procurement.

The bill is unnecessary since the State's procurement code already allows Procurement Officers to consider past performance in its award determinations under Hawaii Revised Statutes ("HRS") §103D-303 Competitive sealed proposals, §103D-304 Procurement of professional services and §103D-310 Responsibility of offerors.

The competitive sealed bid procurement method under HRS 103D-302 should remain a simple and objective procurement method where awards may be made expeditiously to the lowest bidder that meets requirements. Adding the mandate for an evaluation of past performance will complicate the process by adding subjectivity, which will lead to delays and bid protests.

Mahalo for the opportunity to testify on this bill. Should you have any questions or concerns, please feel free to contact the Department of Budget & Fiscal Services' Division of Purchasing at 808-768-5535 or bfs purchasing@honolulu.gov.

**DEPARTMENT OF DESIGN AND CONSTRUCTION
CITY AND COUNTY OF HONOLULU**

650 SOUTH KING STREET, 11TH FLOOR
HONOLULU, HAWAII 96813

Phone: (808) 768-8480 • Fax: (808) 768-4567

Web site: www.honolulu.gov

KIRK CALDWELL
MAYOR



ROBERT J. KRONING, P.E.
DIRECTOR

MARK YONAMINE, P.E.
DEPUTY DIRECTOR

February 24, 2016

The Honorable Jill N. Tokuda, Chair
and Members
Senate Committee on Ways and Means
State Capitol, Room 207
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Tokuda and Members:

SUBJECT: Senate Bill No. 2501 SD1, Relating to Procurement

The Department of Design and Construction (DDC) respectfully provides the following comments on Senate Bill No. 2501 SD1, which "(1) Requires past performance to be considered in future bid selection of a contractor; and (2) Requires departments to consider available assessments of previous performance on relevant and recent government contracts when making contract awards."

1. DDC primarily administers professional services and construction contracts. Existing law allows past performance to be considered prior to award for these types of contracts, so the proposed legislation would not necessarily improve the existing procurement process.
 - a. Consideration of past performance in selection of professional services providers is encoded in Hawaii Revised Statutes (HRS) 103D-304. DDC's procedures include completing performance evaluations of professional services providers and considering past evaluations when selecting consultants for future professional services contracts.
 - b. Consideration of past performance in selection of construction contractors by competitive sealed bidding is allowable under HRS 103D-302. DDC's procedures include completing performance evaluations of construction contractors. Also, DDC has piloted and is continuing to develop procedures to incorporate consideration of past performance in qualification of offerors for construction contracts.

The Honorable Jill N. Tokuda
and Members
February 24, 2016
Page 2

2. The bill does not allow consideration of past performance on projects for private owners, which can be particularly relevant for contractors with no past performance record on projects for public agencies.
3. The proposed legislation could burden procurement procedures with requirements that consume additional resources and result in additional contracting delays without commensurate benefits.

Based on the above considerations, DDC considers Senate Bill No. 2501 SD1 to be unnecessary and potentially detrimental to efficient contracting procedures.

Thank you for the opportunity to testify.

Very truly yours,


Robert J. Kroening, P.E.
Director

1065 Ahua Street
Honolulu, HI 96819
Phone: 808-833-1681 FAX: 839-4167
Email: info@gcahawaii.org
Website: www.gcahawaii.org



GCA of Hawaii
GENERAL CONTRACTORS ASSOCIATION OF HAWAII
Quality People. Quality Projects.

Uploaded via Capitol Website

February 25, 2016

TO: HONORABLE JILL TOKUDA, CHAIR, HONORABLE DONOVAN DELA CRUZ,
VICE CHAIR, SENATE COMMITTEE ON WAYS AND MEANS

SUBJECT: **COMMENTS TO S.B. 2501, SD1 RELATING TO PROCUREMENT.**

Requires past performance to be factored into future bid selection of a contractor. Defines past performance. Requires past performance to be considered in sole source procurement. Requires that upon completion of a procurement contract, the department that issued the request for proposal shall evaluate the work and performance of the respective contractors and maintain the evaluations in the department's files. Appropriates funds. Effective January 1, 2017. (SD1)

HEARING

DATE: Friday, February 26, 2016
TIME: 9:45 a.m.
PLACE: Capitol Room 211

Dear Chair Tokuda, Vice Chair Dela Cruz and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of over five hundred seventy general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. The mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

S.B. 2501, HD1, Relating to Procurement proposes to require that past performance of a contractor be factored into future low bid selection and for sole source procurement. **GCA's comments are limited to how this measure relates to construction contracts only as it appears the areas of concern in construction include: (1) being on budget; (2) being on time; and (3) the delivery of good quality work.**

2013-2015 History of Past Performance Discussions and Task Forces

From 2013 through part of 2015 the Procurement Task Force was initiated pursuant to [Senate Concurrent Resolution 92 \(2013\)](#) which has been meeting since 2013 through the early part of 2015, and one of the issues discussed included how to address bad performing contractors. Additionally, in 2014 this body passed [House Concurrent Resolution 176 \(2014\)](#), which required a study of past performance of government contractors. These Task Forces together with participating government agencies and private industry stakeholders agreed that this issue needs further discussion before dictating an approach with potential unintended consequences. Last year, pursuant to [Act 182 \(2015\)](#) this body extended the Procurement Task Force to specifically identify and propose amendments, if any, to the procurement code that may better promote economy, efficiency, effectiveness, and impartiality in the procurement of public works construction projects, specifically regarding statewide past performance standards and

procedures. Unfortunately, the Act 182 (2015) Task Force did not meet during the interim to address these issues, but it has initiated meeting last month to address this very issue.

It is important to note that consideration of past performance in procurement is already permitted under 103D-302(f) under the invitation for bid process, what is commonly known as low bid, however for various reasons agencies choose not to use it. Under Section 103D-302(f), HRS an invitation for bid may set the requirements to determine qualifications and criteria for a project. In other words, the agency may set the criteria and qualifications for the bidder in its bid specifications, which could include such criteria as past performance, recent project history and any other qualifications an agency may find necessary. The reason for this reluctance on the part of the state agencies to use this section may be due to difficulty to quantify, evaluate, and administer past performance.

The consideration of past performance for low bid contracts raises a number of concerns for GCA, including but not limited to: ensuring objective administration and evaluation processes for agencies in determining qualified past performance criteria, including how the state or county would receive information about private projects; inability for a new contractor to bid public work due to lack of past performance qualifications; agency's lack of resources, including staff and funding for implementation and administration of past performance for low bid contracts; procedural due process concerns and appeal procedures; and ensuring efficiency, integrity and transparency in the procurement process of public works construction projects. In construction, a number of evaluation factors must be taken into consideration, including licensing, subcontractor performance, less than stellar designs, unforeseen conditions, inclement weather, inadequate administration and oversight, untimely and disruptive owner requested change orders, unforeseen hazardous condition discoveries, the need to accommodate user activities that limit noise (such as exam week) or odorous, sometimes toxic activities, that may be reasons why the project does not come in satisfying the 3 noted criteria: (1) On budget; (2) On time; and (3) numerous changes to the original design.

Therefore, GCA believes this bill is premature as state and county agencies along with stakeholders have made initial steps in addressing possible solutions, thus may be able to provide better guidance in addressing how past performance can be used to evaluate contractors. **Instead, the better option is to provide the Task Force another opportunity to identify what the best approach would be to factor in past performance in a fair and objective assessment of a contractor's performance.**

Thank you for considering our comments on this measure.

SAH - Subcontractors Association of Hawaii

1188 Bishop St., Ste. 1003**Honolulu, Hawaii 96813-2938

Phone: (808) 537-5619 ✦ Fax: (808) 533-2739

February 26, 2016

Testimony To: Senate Committee on Ways and Means
Senator Jill N. Tokuda, Chair

Presented By: Tim Lyons, President

Subject: S.B. 2501, SD 1 - RELATING TO PROCUREMENT

Chair Tokuda and Members of the Committee:

I am Tim Lyons, President of the Subcontractors Association of Hawaii. The SAH represents the following nine separate and distinct contracting trade organizations.

HAWAII FLOORING ASSOCIATION

ROOFING CONTRACTORS ASSOCIATION OF HAWAII

HAWAII WALL AND CEILING INDUSTRIES ASSOCIATION

TILE CONTRACTORS PROMOTIONAL PROGRAM

PLUMBING AND MECHANICAL CONTRACTORS ASSOCIATION OF HAWAII

SHEETMETAL CONTRACTORS ASSOCIATION OF HAWAII

PAINTING AND DECORATING CONTRACTORS ASSOCIATION

PACIFIC INSULATION CONTRACTORS ASSOCIATION

The concept that this bill puts forward is overdue. The mechanics of how it will be done are less clear to us so we reserve judgement on this bill. There is no doubt that those contractors that do not have a good past performance should not be entitled to receive additional contracts potentially costing the state and the counties more money for remedial work and/or liability exposure for faulty work.

Our concern however, is based on how one judges these items. As is noted in the bill, the kinds of things that past performance will be judged on are deficiencies, legal actions, failure to complete and "assessments" of prior work. The problem is the subjective judgment that will be required in order to determine these items. Was it a supplier/manufacturer that could not deliver materials on time to the contractor who then caused a failure to complete the project? Was a change order a result of architectural deficiencies not the fault of the contractor or, was the contract in litigation because of actions of the general but all contractors on the project were enjoined in a lawsuit? While it is important to know if there was a delay, it is more important to why there was a delay and how to judge who is at fault.

In summary, we are not opposed to the usage of past performance however, this Committee may remember the creation of the PIP Program under a past Administration which caused an uproar in the construction industry because it was seen as so subjective that contractors felt they were being denied an opportunity to participate while others were being favored. Its centerpiece was past performance. We would like not to see a repeat of that fiasco.

Based on the above then, we are not opposed to the concept offered in this bill; however we would like to reserve judgement until we can see additional details.

Thank you.

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: LaurieHo1@hawaiiantel.net
Subject: Submitted testimony for SB2501 on Feb 26, 2016 09:45AM
Date: Thursday, February 25, 2016 2:37:46 PM

SB2501

Submitted on: 2/25/2016

Testimony for WAM on Feb 26, 2016 09:45AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Laurie Ho	Individual	Support	No

Comments: Aloha and thank you for the opportunity to submit my testimony in writing. I wish to urge you and your committee members to **STRONGLY SUPPORT HB 2501**. Please make your timetable reflect the realities of the process being proposed. Please extend your "holdover period" beyond the one(1) year timeline and just say, "holdover is authorized until water rights are finally resolved." Mahalo for your time and attention. No Water ~ no Agriculture. No Agriculture ~ NO Food.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: stephmanera@gmail.com
Subject: *Submitted testimony for SB2501 on Feb 26, 2016 09:45AM*
Date: Wednesday, February 24, 2016 1:52:37 PM

SB2501

Submitted on: 2/24/2016

Testimony for WAM on Feb 26, 2016 09:45AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Stephanie Manera	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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A BILL FOR AN ACT

RELATING TO PROCUREMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the procurement
2 process is in need of clear legislative direction to award state
3 contracts to responsible bidders or offerors through the state
4 procurement process, to increase accountability with performance
5 on state contracts, and to more efficiently utilize taxpayer
6 dollars. Some state contracts may currently be awarded to the
7 lowest bidder through the invitation for bid process without
8 regard to poor past performance. Such bidders may be considered
9 qualified despite poor performance on state contracts in the
10 past, which may result in repeated inefficiencies and
11 substandard work.

12 The purpose of this Act is to:

- 13 (1) Require past performance to be considered in future
14 bid selection of a contractor; and
15 (2) Require departments to consider available assessments
16 of previous performance on relevant and recent
17 government contracts when making contract awards.



1 SECTION 2. Section 103D-104, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By adding a new definition to be appropriately inserted
4 and to read:

5 "Past performance" means available recent and relevant
6 performance of a contractor on state, federal, or private
7 contracts that shall be considered in a responsibility
8 determination within the relevance of the current solicitation,
9 including but not limited to legal action."

10 2. By amending the definition of "responsible bidder or
11 offeror" to read:

12 "Responsible bidder or offeror" means a person who has the
13 capability in all respects to perform fully the contract
14 requirements, and the integrity and reliability [which] that
15 will assure good faith performance[-], pursuant to the
16 responsibility determination standards adopted by the policy
17 board."

18 SECTION 3. Section 103D-302, Hawaii Revised Statutes, is
19 amended by amending subsection (f) to read as follows:

20 "(f) Bids shall be evaluated based on the requirements set
21 forth in the invitation for bids. These requirements may



1 include criteria to determine acceptability such as inspection,
2 testing, quality, workmanship, delivery, and suitability for a
3 particular purpose. Those criteria that will affect the bid
4 price and be considered in evaluation for award shall be as
5 objectively measurable[-] as possible, such as discounts,
6 transportation costs, [~~and~~] total or life cycle costs[-], and
7 the bidder's past performance on projects of similar scope for
8 public agencies, including but not limited to notices of
9 deficiencies, legal actions, failure to complete a procurement
10 contract, and assessments of the bidder's prior work. The
11 invitation for bids shall set forth the evaluation criteria to
12 be used. No criteria may be used in bid evaluation that are not
13 set forth in the invitation for bids."

14 SECTION 4. Section 103D-303, Hawaii Revised Statutes, is
15 amended by amending subsection (g) to read as follows:

16 "(g) Award shall be made to the responsible offeror whose
17 proposal is determined in writing to be the most advantageous,
18 taking into consideration price and the evaluation factors set
19 forth in the request for proposals[-], which shall include the
20 offeror's past performance on projects of similar scope for
21 public agencies, including but not limited to notices of



1 deficiencies, legal actions, failure to complete a procurement
2 contract, and assessments of the offeror's prior work. No
3 [~~other factors or~~] criteria [shall] may be used in the
4 evaluation[-] that are not set forth in the request for
5 proposals. The contract file shall contain the basis on which
6 the award is made."

7 SECTION 5. Section 103D-306, Hawaii Revised Statutes, is
8 amended by amending subsection (a) to read as follows:

9 "(a) A contract may be awarded for goods, services, or
10 construction without competition when the head of a purchasing
11 agency determines in writing that there is only one source for
12 the required good, service, or construction, the determination
13 is reviewed and approved by the chief procurement officer, the
14 written determination is posted in the manner described in rules
15 adopted by the policy board, a review of past performance has
16 been conducted, and no objection is outstanding. The written
17 determination, any objection, past performance evaluations
18 relied upon, and a written summary of the disposition of any
19 objection shall be included in the contract file."

20 SECTION 6. Section 103D-310, Hawaii Revised Statutes, is
21 amended by amending subsection (b) to read as follows:



1 "(b) Whether or not an intention to bid is required, the
2 procurement officer shall [~~determine~~] make a responsibility
3 determination for any awardee, pursuant to rules adopted by the
4 policy board, including whether the prospective offeror has the
5 financial ability, resources, skills, capability, and business
6 integrity necessary to perform the work. For [~~this~~] the
7 purpose[~~, the~~] of making a responsibility determination, the
8 procurement officer shall possess or obtain available
9 information sufficient to be satisfied that a prospective
10 offeror meets the applicable standards set forth by the policy
11 board. The procurement officer shall consider past performance
12 of the offeror as it applies to a responsibility determination
13 for the current solicitation. The officer, in the officer's
14 discretion, may also require any prospective offeror to submit
15 answers, under oath, to questions contained in a standard form
16 of questionnaire to be prepared by the policy board. Whenever
17 it appears from answers to the questionnaire or otherwise, that
18 the prospective offeror is not fully qualified and able to
19 perform the intended work, a written determination of
20 nonresponsibility of an offeror shall be made by the head of the
21 purchasing agency, in accordance with rules adopted by the



1 policy board. The unreasonable failure of an offeror to
2 promptly supply information in connection with an inquiry with
3 respect to responsibility may be grounds for a determination of
4 nonresponsibility with respect to such offeror. The decision of
5 the head of the purchasing agency shall be final unless the
6 offeror applies for administrative review pursuant to section
7 103D-709."

8 SECTION 7. Section 103D-320, Hawaii Revised Statutes, is
9 amended to read as follows:

10 " [+] §103D-320 [-] Retention of procurement records [-];
11 evaluations. All procurement records shall be retained and
12 disposed of in accordance with chapter 94 and records retention
13 guidelines and schedules approved by the comptroller [-];
14 provided that upon completion of a procurement contract, the
15 department that issued the request for proposals shall evaluate
16 the work and performance of the respective contractors and
17 maintain the evaluations in the department's files."

18 SECTION 8. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$ or so much
20 thereof as may be necessary for fiscal year 2016-2017 for the
21 purposes of implementing this Act.



1 The sum appropriated shall be expended by the state
2 procurement office for the purposes of this Act.

3 SECTION 9. This Act does not affect rights and duties that
4 matured, penalties that were incurred, and proceedings that were
5 begun before its effective date.

6 SECTION 10. If any provision of this Act, or the
7 application thereof to any person or circumstance, is held
8 invalid, the invalidity does not affect other provisions or
9 applications of the Act that can be given effect without the
10 invalid provision or application, and to this end the provisions
11 of this Act are severable.

12 SECTION 11. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 12. This Act shall take effect on July 1, 2050;
15 provided that section 8 shall take effect on July 1, 2016.



Report Title:

Procurement; Past Performance; Criteria; Sole Source;
Evaluation; Appropriation

Description:

Requires past performance to be factored into future bid selection of a contractor. Defines past performance. Requires past performance to be considered in sole source procurement. Requires that upon completion of a procurement contract, the department that issued the request for proposal shall evaluate the work and performance of the respective contractors and maintain the evaluations in the department's files. Appropriates funds. Effective 7/1/2050. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.





**STATE OF HAWAII
STATE PROCUREMENT OFFICE**

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TESTIMONY
OF
SARAH ALLEN, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEE
ON
GOVERNMENT OPERATIONS
FEBRUARY 4, 2016; 1:15 PM

SB2501
RELATING TO PROCUREMENT

Chair Kim, Vice-Chair Ihara and members of the committee, thank you for the opportunity to submit testimony on SB2501.

The SPO SUPPORTS the intent of past performance consideration when awarding contracts and submits additional comments in regards to this measure.

SPO submitted a full report to Legislature in January 2015 denoting the challenges to the past performance issue as well as a recommended set of phases for implementation (REF: REPORT ON THE STUDY ON PAST PERFORMANCE CONSIDERATION IN HAWAII CONTRACTING)

- a. In Phase I of SPO's recommendations for implementation of a past performance system, a responsibility determination be made on all procurements prior to the award of any contract and that contractor past performance be assessed as part of that responsibility determination. At first, in regards to competitive sealed bidding, this determination would be made on the basis of references and additional documentation that the proposer includes in their bid/proposal. It is SPO's belief that no matter what criteria you might choose to evaluate a bidder, ultimately, the bidder must be responsible in order to do business with the State.
- b. In respect of Competitive Sealed Bidding, the bill states that evaluation criteria should include: "bidder's past performance on projects of similar scope for public agencies, including delays, number of contract change orders, contract extensions, cost overruns, corrective actions, responses to notices of deficiencies, and assessments of the bidder's prior work."

It is critical to recognize that delays, number of contract change orders, contract extensions, cost overruns, and sometimes, even corrective actions may not be the fault of the contractor. Thus, it is imperative that the State create a record of past performance that is based on truth and fairness, and can be validated by formal documentation collected throughout the contract period that clearly shows the onus is on the contractor alone. In addition, it is also critical to develop this information as

to what positive areas the contractor has been able to achieve, i.e., ahead of schedule, in or under budget. The collection of past performance is to develop a record of responsible contractors and to encourage contractors to constantly be looking to improve performance.

Two major logistical challenges exist.

1. There is no past performance database that Procurement Officers can access. In our Past Performance Report, SPO recommends this as Phase II of the implementation process. We surmise a stand-alone State-wide past performance database could cost as much as \$4 million not including at least a 23% per year maintenance fee. Another option is to fund the \$2.5 million implementation of a robust eProcurement system that would be mandated for the Executive Branch, but also be available to any Agency across the State. This system would include the ability to collect information on contract performance, and give much needed transparency and consistency to the manner in which procurements are conducted. This is a self-funded model, and so no continuing maintenance fees would be required after initial implementation (REF: STATE PROCUREMENT OFFICE STRATEGIC PLAN, attached)
2. Second, there is no formal, available assessment of a bidder's prior work. Agencies and Departments typically assess a contractor's performance in varying ways, with differing policies, procedures and forms. Any assessment conducted may or may not be kept in the contract files. Certainly, these assessments are not readily available outside of the originator's division. Post-award contract management is an area where many States and Commercial companies struggle and a series of areas needs to be addressed such as training, consistency in forms and policy, and a database for collection. Here to, an eProcurement system would be most helpful as it would have the capability to search for construction contracts, and the visibility to see the contract information.

Based on the issues above, SPO recommends that the verbiage shown on Page 3, Section 3, Lines 9 through 13 exclude the additional breakdown language, and be revised to: "... and the bidder's past performance on projects of similar scope for public agencies."

Act 182 was passed at the last Legislative Session (2015) extending the Procurement Task Force to continue its work. It was tasked "specifically to examine and recommend past performance standards and statewide processes in order to promote economy, efficiency, effectiveness, and impartiality in procurement for state and county government." Those findings should be reviewed.

There are many areas of policy, procedure, infrastructure and logistical issues to be considered in implementing past performance. These can be addressed in Hawaii Administrative Rules. Resources will be required such as staffing to develop definitions, policies and procedures. This will entail meeting with stakeholders including, procurement personnel, vendors, departments and members of the community. Infrastructure must be created whereby each contracting unit may have access to enter and view performance data. There must also be a procedure for due process for vendors to respond to evaluations of their performance. Resources will also be needed for change management and training for personnel involved in procurement and contract administration as well as for vendors. For strong and robust implementation of Phase I, funds of at least \$130,000 would be required.

Thank you.

Attachment: SPO Initiatives

Links:

[Past Performance Report](http://spo.hawaii.gov/wp-content/uploads/2015/01/SPO-Past-Performance-Legislative-Report-submitted.pdf) (http://spo.hawaii.gov/wp-content/uploads/2015/01/SPO-Past-Performance-Legislative-Report-submitted.pdf)

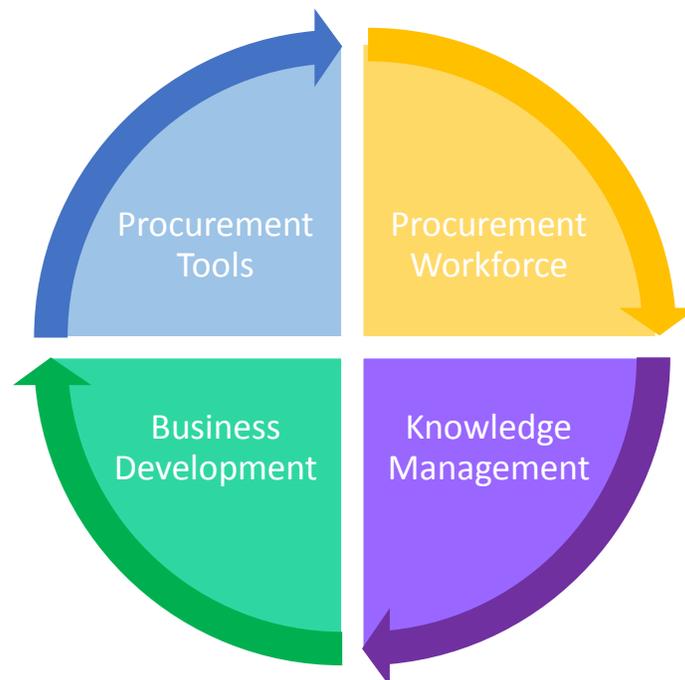
[Past Performance Report Appendices](http://spo.hawaii.gov/wp-content/uploads/2015/01/Appendices-for-Past-Performance-Report.pdf) (http://spo.hawaii.gov/wp-content/uploads/2015/01/Appendices-for-Past-Performance-Report.pdf)

The State Procurement Office (SPO) recognizes the need to improve Procurement across the State. There are four major areas, which if focused on, will greatly aid the success of procurements in cost savings, improved efficiencies and innovation.

What and how the state purchases has great impact on our economy. We need to make the most of what we have. For Hawaii to catch up we need training and development of our procurement workforce for all state agencies and departments. We also need to be an incubator of Acquisition innovation and leverage these cutting-edge ideas to enhance the overall business environment and economic growth of Hawaii.

The SPO recommends four areas of focus in this strategic initiative:

1. Procurement Tools
2. Procurement Workforce
3. Business Development
4. Knowledge Management



1. Procurement Tools

Consistency – Among the 19 Departments that fall under the Executive Branch CPO, there is very little consistency with the way procurement solicitations go out, and with what is expected from vendor proposals. The inconsistencies and incongruent processes increase procurement processing time per requirement, which increases time spent by State Buyers, reducing efficiency of procuring personnel, and increasing confusion and money spent by Vendors. The ability to create one set of templates and expectations for doing business with the Executive Branch will incentivize more businesses to want to do business with the State, enhance competition, and reduce the costs that vendors must consider with bid and proposal costs.

Transparency – There is currently very little transparency on the Executive Branch Procurement Spend. This lack of transparency leads to probable duplication of effort and redundancy in procurements, failure to leverage economies of scale, very little data for decision-making and ultimately, increased costs to the State Budget.

SPO Initiative: eProcurement System

A robust online electronic procurement system for issuing solicitations, receiving responses, and issuing notices of award will improve the consistency and transparency of procurements conducted by the 19 Departments under the Executive Branch CPO. In addition, an eProcurement system would allow for establishment of state-wide catalogs, sourcing management and spend analysis. These areas would increase the level of transparency and give decision-makers the necessary business analytics to make well-informed, smart choices. Moreover, the State will achieve significant cost savings and tangible benefits including:

- Increased competition,
- Leveraged economies of scale,
- Improved cost and pricing methods,
- Improved negotiation standing,
- Decreased processes and leveraged learning curve and specialization,
- Reduced turnover time to award, and
- Reduced interest payments to vendors for late payments.

Measurements for Success:

- Estimated cost savings by agencies utilizing SPO statewide contracts
- Estimated cost savings of Electronic Procurement System awards
- Number of Electronic Procurement System solicitations
- Number of registered vendors
- Total reduction in procurement Lead Time

2. Procurement Workforce: The Hawaii Certified Procurement Professional (HCPP)

Proficiency – There is little to no strategic organization to ‘who’ is delegated to perform procurements and how procurement expertise is attained, developed and leveraged. Many State Departments and Agencies have hundreds of non-procurement personnel conducting procurements on all levels of complexity.

The Procurement Specialist and Procurement Officer skills, expertise and abilities must be increased to a level of professionalism due the career field. Procurement Professionals have expertise in business, accounting, finance, legal issues, negotiating, marketing, customer service and cross-functional team management, and this is the State’s Body of Business Advisors on strategic and tactical levels of procurement.

To decrease procurement problems and increase compliance and assure smooth and successful procurements to take place, the Procurement Workforce level of knowledge must be raised. The Procurement Workforce must be recognized across the State as professionals in their field.

Compliance – A large area of procurement problems fall under compliance. Without a skilled, focused workforce, and few controls, there is a push to find a work-around the procurement code versus working within that code. Ethics and procurement integrity must be considered by Leadership as a vital part of the procurement process in order for the workforce to understand its importance.

SPO Initiative: Procurement Training & Certification Learning Management System

A statewide procurement training and certification learning management system (LMS) is a vital tool to ensuring the State of Hawaii develops a proficient workforce of procurement professionals who expend public funds in a manner that is compliant with applicable statutes, rules, and policies.

“Certification is the process by which an individual demonstrates meeting specific qualifications (eligibility requirements) and an established level of knowledge (examination) necessary to competently perform a specific job. UPPCC Certifications reflect established standards and competencies for those engaged in government procurement, and attest to the designee's ability to obtain maximum value for the taxpayer's dollar.”¹

The SPO will develop a Hawaii State Procurement Certification process that will guide the career field within the State, to allow for certified levels of trained journeymen and experts.

The LMS will allow state and county procurement personnel to register online, take relevant procurement courses on-demand, and receive certification by passing quizzes. The LMS will further improve SPO’s training program by:

- Offering a centralized source of learning,
- Automating data-keeping and reporting procedures,
- Bolstering knowledge retention with evaluation capabilities, and
- Simplifying the learning process.

Measurements for Success:

- Number of users registered in the LMS
- Number of certifications issued by the LMS
- Percentage of evaluations with meaningful and practical ratings by attendees of procurement training workshops

¹ Universal Public Procurement Certification Council (UPPCC.org), 8/31/15

3. Business Development: Procurement Visibility

- a. Economic Sustainability – The State of Hawaii supports the economic growth and sustainability of small business. Included in that focus is the need to improve the ease of doing business with the State. Many factors effect this metric, one of which is promotion of a State Small Business Program. This program would nurture emerging Hawaii industries, increase competition by broadening the local contractor base, enhance the ability of local small businesses, and increase local worker employment opportunities.

SPO Initiative: Promote the development & implementation of this Program

The SPO supports the creation of an independent/autonomous Hawaii Small Business Office (HSBO), which is comprised of subject matter experts who can guide the CPOs and small business owners through policy and guidance to support this set-aside program. The HSBO must be an independent office, to ensure no conflict of interest or agency influence or control over their mission. These small business experts will be integral in working with the community to develop rules for State implementation.

Measurements for Success:

- Number of increase in vendor registrations of small business owners
- Achieving at least 5% capture of state contracts per fiscal year accumulating as the program grows to achieve the mandated 20% goal (as a prime or sub-contractor)

- b. Accessibility – Currently, there are over 40 sites that vendors have to visit daily in order to determine what solicitations are available to their doing business in Hawaii. This creates confusion for vendors on where to look for work and confusion for State Buyers on where to post. This lack of accessibility reduces the State’s outreach to the market, which reduces our reach to competition. Smaller competition or complete lack thereof, creates increased overall costs of State procurements.

SPO Initiative: Procurement One-Stop-Shop

In order to enable business growth and economic development in Hawaii, a One-Stop-Shop site should be developed. Unlike the eProcurement system (which is limited to the 19 Executive Departments that fall under the Executive Branch CPO), the One-Stop-Shop site will pull all solicitation and notice information from across the 21 CPO jurisdictions including UH, DOE, the Legislative and Judiciary Branches, the Counties, and the 19 Executive Departments) to one page that can be accessed by all interested vendors. Not only will this create a more responsive vendor market, but it will also give the State meaningful business analytics on the state of procurement across Hawaii.

Measurements for Success:

- Number of increase in published solicitations
- Ease of doing business with the State – vendor survey before and yearly thereafter
- Number of increase in vendor registrations
- Number of hits on site

4. Knowledge Management: Procurement Wizard

Procurement in Hawaii has been deeply affected by two factors in the last five to ten years: loss of existing knowledgebase and increasingly complex changes in procurement. Temporary cuts in benefits, inability to hire new staff and the high volume of retiring Baby Boomers, have led to a huge loss in the knowledgebase. This loss has been exacerbated by lack of experience opportunities for newer personnel.

The field of Procurement has undergone considerable change in the last few years. This is attributable to a number of factors including the necessity to research and implement strategies to realize cost savings due to an austere economy and advances in the use of technology and ability to collect and analyze data. Even the manner in which procurement is perceived has changed. It has become a high level strategic function rather than a lower level process function.

SPO Initiative: Procurement Wizard

An online, digital procurement manual, based around the Procurement Lifecycle acting as a Wizard to bring best practices, learning lessons, templates, samples, guidance, training and regulations to one multi-faceted library. Accessible to both the State Procurement Workforce and the Community, this initiative will become the foundation of the State's Knowledge Management program for procurement.

Measurements for Success:

- Number of hits on site
- Customer Service survey before and yearly thereafter
- Number of increase in vendor registrations

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GCA of Hawaii
GENERAL CONTRACTORS ASSOCIATION OF HAWAII
Quality People. Quality Projects.

Uploaded via Capitol Website

February 4, 2016

TO: HONORABLE DONNA MERCADO KIM, CHAIR, HONORABLE LES IHARA, VICE CHAIR, SENATE COMMITTEE ON GOVERNMENT OPERATIONS

SUBJECT: **COMMENTS TO S.B. 2501, HD1 RELATING TO PROCUREMENT.**
Requires past performance to be factored into future bid selection of a contractor. Defines past performance. Requires past performance to be considered in sole source procurement. Appropriates funds. Takes effect on 1/1/2017.

HEARING

DATE: Thursday, February 4, 2016
TIME: 1:15 p.m.
PLACE: Capitol Room 414

Dear Chair Mercado Kim, Vice Chair Ihara and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of over five hundred seventy general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. The mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

S.B. 2501, Relating to Procurement proposes to require that past performance of a contractor be factored into future low bid selection and for sole source procurement. **GCA's comments are limited to how this measure relates to construction contracts only as it appears the areas of concern in construction include: (1) being on budget; (2) being on time; and (3) the delivery of good quality work.**

2013-2015 History of Past Performance Discussions and Task Forces

From 2013 through part of 2015 the Procurement Task Force was initiated pursuant to [Senate Concurrent Resolution 92 \(2013\)](#) which has been meeting since 2013 through the early part of 2015, and one of the issues discussed included how to address bad performing contractors. Additionally, in 2014 this body passed [House Concurrent Resolution 176 \(2014\)](#), which required a study of past performance of government contractors. These Task Forces together with participating government agencies and private industry stakeholders agreed that this issue needs further discussion before dictating an approach with potential unintended consequences. Last year, pursuant to [Act 182 \(2015\)](#) this body extended the Procurement Task Force to specifically identify and propose amendments, if any, to the procurement code that may better promote economy, efficiency, effectiveness, and impartiality in the procurement of public works construction projects, specifically regarding statewide past performance standards and procedures. Unfortunately, the Act 182 (2015) Task Force did not meet during the interim to address these issues.

It is important to note that consideration of past performance in procurement is already permitted under 103D-302(f) under the invitation for bid process, what is commonly known as low bid, however for various reasons agencies choose not to use it. Under Section 103D-302(f), HRS an invitation for bid may set the requirements to determine qualifications and criteria for a project. In other words, the agency may set the criteria and qualifications for the bidder in its bid specifications, which could include such criteria as past performance, recent project history and any other qualifications an agency may find necessary. The reason for this reluctance on the part of the state agencies to use this section may be due to difficulty to quantify, evaluate, and administer past performance.

The consideration of past performance for low bid contracts raises a number of concerns for GCA, including but not limited to: ensuring objective administration and evaluation processes for agencies in determining qualified past performance criteria; inability for a new contractor to bid public work due to lack of past performance qualifications; agency's lack of resources, including staff and funding for implementation and administration of past performance for low bid contracts; procedural due process concerns and appeal procedures; and ensuring efficiency, integrity and transparency in the procurement process of public works construction projects. In construction, a number of evaluation factors must be taken into consideration, including licensing, subcontractor performance, less than stellar designs, unforeseen conditions, inclement weather, inadequate administration and oversight, untimely and disruptive owner requested change orders, unforeseen hazardous condition discoveries, the need to accommodate user activities that limit noise (such as exam week) or odorous, sometimes toxic activities, that may be reasons why the project does not come in satisfying the 3 noted criteria: (1) On budget; (2) On time; and (3) numerous changes to the original design.

Therefore, GCA believes this bill is premature as state and county agencies along with stakeholders have made initial steps in addressing possible solutions, thus may be able to provide better guidance in addressing how past performance can be used to evaluate contractors. **Instead, the better option is to provide the Task Force another opportunity to identify what the best approach would be to factor in past performance in a fair and objective assessment of a contractor's performance.**

Thank you for considering our comments on this measure.



ELECTRICAL CONTRACTOR'S ASSOCIATION OF HAWAII

NECA Hawai'i Chapter

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February 3, 2016

To: Senate Committee on Government Operations
The Honorable Senator Donna Kim, Chairperson

From: Al Itamoto, Executive Director
Electrical Contractors Association of Hawaii
National Electrical Contractors Association, Hawaii Chapter

Subject: SB 2501 Relating to Procurement

Notice of Hearing

Date: Thursday, February 4, 2016
Time: 1:15 PM
Place: Conference Room 414
State Capitol
415 South Beretania Street

Dear Chairs Kim, Ihara and Committee members:

The Electrical Contractors Association of Hawaii (ECAH) is a non-profit association consisting of electrical contractors doing business in the State of Hawaii. ECAH is the Hawaii Chapter of the National Electrical Contractors Association (NECA). While we agree to the concept of using past performance as a criteria in awarding bids, this bill is not clear on the process and procedure and is open to too much subjectivity for us to support at this time until more details are made available. In addition, the past performance standards should apply to all subcontractors listed by the offeror.

At this time, ECAH reserves final opinion on the intent and purpose of SB 2501 relating to past performance.

Thank you for the opportunity to provide testimony on this issue.

SAH - Subcontractors Association of Hawaii

1188 Bishop St., Ste. 1003**Honolulu, Hawaii 96813-2938

Phone: (808) 537-5619 ✦ Fax: (808) 533-2739

February 4, 2016

Testimony To: Senate Committee on Government Operations
Senator Donna Mercado Kim, Chair

Presented By: Tim Lyons, President

Subject: S.B. 2501 - RELATING TO PROCUREMENT

Chair Mercado Kim and Members of the Committee:

I am Tim Lyons, President of the Subcontractors Association of Hawaii. The SAH represents the following nine separate and distinct contracting trade organizations.

HAWAII FLOORING ASSOCIATION

ROOFING CONTRACTORS ASSOCIATION OF HAWAII

HAWAII WALL AND CEILING INDUSTRIES ASSOCIATION

TILE CONTRACTORS PROMOTIONAL PROGRAM

PLUMBING AND MECHANICAL CONTRACTORS ASSOCIATION OF HAWAII

SHEETMETAL CONTRACTORS ASSOCIATION OF HAWAII

PAINTING AND DECORATING CONTRACTORS ASSOCIATION

PACIFIC INSULATION CONTRACTORS ASSOCIATION

The concept that this bill puts forward is overdue. The mechanics of how it will be done are less clear to us so we reserve judgement on this bill. There is no doubt that those contractors that do not have a good past performance should not be entitled to receive additional contracts potentially costing the state and the counties more money for remedial work and/or liability exposure for faulty work.

Our concern however, is based on how one judges these items. As is noted in the bill, the kinds of things that past performance will be judged on are delays, number of contract change orders, extensions, overruns and corrective actions. The problem is the subjective judgment that will be required in order to determine why was there a delay? Was it a supplier/manufacturer that could not deliver materials on time to the contractor who then caused a delay in the project? Was the change order a result of architectural deficiencies; not the fault of the contractor or, was the contract extension because of these items? Additionally, while it is important to know if there was a cost overrun, it is more important to why there was a cost overrun and how to judge who is at fault.

In summary, we are not opposed to the usage of past performance however, this Committee may remember the creation of the PIP Program under a past Administration which caused an uproar in the construction industry because it was seen as so subjective that contractors felt they were being denied an opportunity to participate while others were being favored. Its centerpiece was past performance. We would like not to see a repeat of that fiasco.

Based on the above then, we are not opposed to the concept offered in this bill, however we would like to reserve judgement until we can see additional details.

Thank you.

AMERICAN INSTITUTE OF ARCHITECTS

February 4, 2016

Honorable Donna Mercado Kim, Chair
Senate Committee on Government Operations

Subject: **Senate Bill 2501**
Relating to Procurement

Dear Senator Kim and Members of the Committee,

My name is Daniel Chun, Fellow of the American Institute of Architects, practicing local architect for 40 years and President of the American Institute of Architects Hawaii State Council. In 2002 I was personally and deeply involved in drafting the current section 103D-304. It took AIA and our allies about three years to vet and pass the current language.

AIA is **OPPOSED** to Senate Bill 2501 that amends Section 103-304 for professional services including architectural services on technical grounds. The language of Page 4 lines 18-19 would add "assessments of prior work" to the second-ranked selection criteria. Discussion:

- The second ranked selection criteria already reads "Past performance on projects of similar scope" already covering the intent of SB 2501.
- In measuring architect service performance the added phrase "assessment of prior work" is technically and procedurally incorrect because "work" is tangible completed buildings; a criterion measured in the first-ranked selection criteria.

Many public agencies use selection criteria as the "opening sentence" to paragraphs further detailing specific needs. Our intent when drafting the original statute was to leave flexibility for agencies to do this. HRS 103D-304 is one of the shortest sections of procurement code, with few added words in its administrative rules.

In the recent Asato vs. Procurement Policy Board case the Court said the current statute ably anticipates the needs of public agencies. If architect performance seems unsatisfactory, more agency staff training in selection process and contract management is the answer; not a change in this section.

AIA understanding is that there are very few protests in this procurement section; meaning the statute is already well written. AIA requests that you delete the proposed language as unnecessarily redundant. Thank you for this opportunity to **OPPOSE** the language of **Page 4 lines 18-19**.



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of Hawaii

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February 3, 2016

Senate Committee on Government Operations

Hearing Date: Thursday, February 4, 1:15 p.m., Conference Room 414

Honorable Senators Donna Mercado Kim, Chair; Les Ihara, Vice Chair; and Members of the Senate Committee on Government Operations

Subject: **SB 2501, Relating to Procurement
Testimony with Comments**

Dear Kim, Vice Chair Ihara, and Committee Members:

The American Council of Engineering Companies of Hawaii (ACECH) represents more than 70 member firms with over 1,500 employees throughout Hawaii. ACECH is a strong supporter of HRS §103D-304, the State's "qualification-based selection" (QBS) law, which follows the National model procurement code, for procurement of professional services.

While we appreciate the intent of the bill to include past performance as a factor in procurement selection, there is no need to revise the language of HRS §103D-304 as proposed by Section 5 of the bill, because that statute already contains "past performance on projects of similar scope" as a selection criteria. The existing language of HRS §103D-304 mirrors the revisions proposed for HRS §103D-303 under Section 4 of the bill. We do not see the necessity of making revisions to HRS §103D-304 to achieve the intent of this bill.

Therefore, we strongly recommend that Section 5 of the bill be removed in its entirety.

We appreciate the opportunity to provide testimony on this matter. Please do not hesitate to contact us if you have any questions.

Respectfully submitted,

AMERICAN COUNCIL OF ENGINEERING COMPANIES OF HAWAII

Janice C Marsters, PhD
Legislative Committee
808-371-8504

DAVID Y. IGE
GOVERNOR



SARAH ALLEN
ADMINISTRATOR

PAULA A. YOUNGLING
ASSISTANT ADMINISTRATOR

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TESTIMONY
OF
SARAH ALLEN, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEE
ON
WAYS AND MEANS
FEBRUARY 26, 2016; 9:45 AM

SB2501 SD1
RELATING TO PROCUREMENT

Chair Tokuda, Vice-Chair Dela Cruz and members of the committee, thank you for the opportunity to submit testimony on SB2501 SD1.

The SPO SUPPORTS the intent of past performance consideration when awarding contracts and submits additional comments in regards to this measure.

SPO submitted a full report to Legislature in January 2015 denoting the challenges to the past performance issue as well as a recommended set of phases for implementation (REF: REPORT ON THE STUDY ON PAST PERFORMANCE CONSIDERATION IN HAWAII CONTRACTING)

- a. In Phase I of SPO's recommendations for implementation of a past performance system, a responsibility determination be made on all procurements prior to the award of any contract and that contractor past performance be assessed as part of that responsibility determination. At first, in regards to competitive sealed bidding, this determination would be made on the basis of references and additional documentation that the proposer includes in their bid/proposal. It is SPO's belief that no matter what criteria you might choose to evaluate a bidder, ultimately, the bidder must be responsible in order to do business with the State.
- b. In respect of Competitive Sealed Bidding, the bill states that evaluation criteria should include: "bidder's past performance on projects of similar scope for public agencies, including but not limited to notices of deficiencies, legal actions, failure to complete a procurement contract, and assessments of the bidder's prior work."

It is imperative that the State create a record of past performance that is based on truth and fairness, and can be validated by formal documentation collected throughout the contract period that clearly shows the onus is on the contractor alone. In addition, it is also critical to develop this information as

to what positive areas the contractor has been able to achieve, i.e., ahead of schedule, in or under budget. The collection of past performance is to develop a record of responsible contractors and to encourage contractors to constantly be looking to improve performance.

Two major logistical challenges exist.

1. There is no past performance database that Procurement Officers can access. In our Past Performance Report, SPO recommends this as Phase II of the implementation process. We surmise a stand-alone State-wide past performance database could cost as much as \$4 million not including at least a 23% per year maintenance fee. Another option is to fund the \$2.5 million implementation of a robust eProcurement system that would be mandated for the Executive Branch, but also be available to any Agency across the State. This system would include the ability to collect information on contract performance, and give much needed transparency and consistency to the manner in which procurements are conducted. This is a self-funded model, and so no continuing maintenance fees would be required after initial implementation (REF: STATE PROCUREMENT OFFICE STRATEGIC PLAN, attached)
2. Second, there is no formal, available assessment of a bidder's prior work. Agencies and Departments typically assess a contractor's performance in varying ways, with differing policies, procedures and forms. Any assessment conducted may or may not be kept in the contract files. Certainly, these assessments are not readily available outside of the originator's division. Post-award contract management is an area where many States and Commercial companies struggle and a series of areas needs to be addressed such as training, consistency in forms and policy, and a database for collection. Here to, an eProcurement system would be most helpful as it would have the capability to search for construction contracts, and the visibility to see the contract information.

Act 182 was passed at the last Legislative Session (2015) extending the Procurement Task Force to continue its work. It was tasked "specifically to examine and recommend past performance standards and statewide processes in order to promote economy, efficiency, effectiveness, and impartiality in procurement for state and county government." Those findings should be reviewed.

There are many areas of policy, procedure, infrastructure and logistical issues to be considered in implementing past performance. These can be addressed in Hawaii Administrative Rules. Resources will be required such as staffing to develop definitions, policies and procedures. This will entail meeting with stakeholders including, procurement personnel, vendors, departments and members of the community. Infrastructure must be created whereby each contracting unit may have access to enter and view performance data. There must also be a procedure for due process for vendors to respond to evaluations of their performance. Resources will also be needed for change management and training for personnel involved in procurement and contract administration as well as for vendors. For strong and robust implementation of Phase I, funds of at least \$130,000 would be required.

Lastly, in section 2, page 2, Line 6 the definition of past performance includes past performance of a contractor on "state, federal, or private contracts". In Section 3, page 3, line 8 and Section 4, page 3 line 21 the reference is to evaluating past performance on similar contracts for "public agencies." The contradiction makes it unclear as to what past performance is to be based upon.

Thank you.

Attachment: SPO Initiatives

Links:

[Past Performance Report](http://spo.hawaii.gov/wp-content/uploads/2015/01/SPO-Past-Performance-Legislative-Report-submitted.pdf) (http://spo.hawaii.gov/wp-content/uploads/2015/01/SPO-Past-Performance-Legislative-Report-submitted.pdf)

[Past Performance Report Appendices](http://spo.hawaii.gov/wp-content/uploads/2015/01/Appendices-for-Past-Performance-Report.pdf) (http://spo.hawaii.gov/wp-content/uploads/2015/01/Appendices-for-Past-Performance-Report.pdf)



Testimony by:
FORD N. FUCHIGAMI
DIRECTOR

Deputy Directors
JADE T. BUTAY
ROSS M. HIGASHI
EDWIN H. SNIFFEN
DARRELL T. YOUNG

IN REPLY REFER TO:

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

February 26, 2016
9:45 a.m.
State Capitol, Room 211

SB 2501, S.D. 1
RELATING TO PROCUREMENT

Senate Committee on Ways and Means

The DOT **supports** the intent of SB 2501 that proposes to consider past performance in future bid selection of a contractor under the Competitive Sealed Bid (CSB) provisions of the Procurement Code, HRS § 103D-302.

The proposed definition of past performance includes consideration of past performance as a responsibility determination. The determination of contractor responsibility has always been a requirement under the Procurement Code, and is consistent with the definition of the responsible bidder, “a person who has the capability in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.”

The purchasing agency has the flexibility to include provisions in the specifications that help to determine the responsibility of bidders. For example, a specification proviso, “contractor shall have performed similar work for at least two years prior to the bid date. Failure to meet this requirement shall be cause of disqualification.” During bid evaluation, certain items are verified. If, during bid evaluation, the purchasing agency has any doubts on the responsibility of the bidder, the purchasing agency may, under HRS § 103D-310, “inquire whether the bidder has the financial ability, resources, skills, capability, and business integrity necessary to perform the work...the purchasing agency may require the bidder to submit answers, under oath, to questions contained in a standard form of questionnaire...whenever it appears from answers to the questionnaire or otherwise, that the prospective offeror is not fully qualified and able to perform the intended work, a written determination of nonresponsibility of an offeror shall be made by the purchasing agency.” The proposed revisions to HRS § 103D-310 is consistent.

This proposed revision of consideration of contractor’s notices of deficiencies, legal actions, failure to complete a procurement contract, and assessments of the bidder’s

prior work is rooted in the intent of the purchasing agency's underlying ethical duties under the Procurement Code.¹

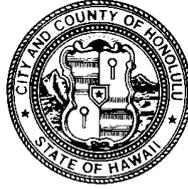
However, including past performance as an evaluation factor in the HRS § 103D-303, Competitive Sealed Proposal (CSP), and HRS §103D-306, Sole Source methods of procurement is not necessary as the procurement code already includes the inclusion of past performance for these methods of procurement.

Thank you for the opportunity to provide testimony.

¹ § 103D-101 “(1) as fiduciary and trustee of public moneys;...(3) [a]ct only in the public interest;...(5)[i]dentify and maximize efficiencies in the public procurement process.”

DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813
PHONE: (808) 768-3900 • FAX: (808) 768-3179 • INTERNET: www.honolulu.gov

KIRK CALDWELL
MAYOR



NELSON H. KOYANAGI, JR.
DIRECTOR

GARY T. KUOKAWA
DEPUTY DIRECTOR

TESTIMONY OF NELSON H. KOYANAGI, JR.
DIRECTOR OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS
9:45 a.m., February 26, 2016, Conference Room 211

Senate Bill No. 2501 SD1 "Relating to Procurement"

Position: IN OPPOSITION

TO: The Honorable Senator Jill N. Tokuda, Chair
and Members of the Committee on Ways and Means

The Department of Budget and Fiscal Services, City and County of Honolulu, **opposes** Senate Bill No. 2501 SD1, Relating to Procurement.

The bill is unnecessary since the State's procurement code already allows Procurement Officers to consider past performance in its award determinations under Hawaii Revised Statutes ("HRS") §103D-303 Competitive sealed proposals, §103D-304 Procurement of professional services and §103D-310 Responsibility of offerors.

The competitive sealed bid procurement method under HRS 103D-302 should remain a simple and objective procurement method where awards may be made expeditiously to the lowest bidder that meets requirements. Adding the mandate for an evaluation of past performance will complicate the process by adding subjectivity, which will lead to delays and bid protests.

Mahalo for the opportunity to testify on this bill. Should you have any questions or concerns, please feel free to contact the Department of Budget & Fiscal Services' Division of Purchasing at 808-768-5535 or bfs purchasing@honolulu.gov.

**DEPARTMENT OF DESIGN AND CONSTRUCTION
CITY AND COUNTY OF HONOLULU**

650 SOUTH KING STREET, 11TH FLOOR
HONOLULU, HAWAII 96813

Phone: (808) 768-8480 • Fax: (808) 768-4567

Web site: www.honolulu.gov

KIRK CALDWELL
MAYOR



ROBERT J. KRONING, P.E.
DIRECTOR

MARK YONAMINE, P.E.
DEPUTY DIRECTOR

February 24, 2016

The Honorable Jill N. Tokuda, Chair
and Members
Senate Committee on Ways and Means
State Capitol, Room 207
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Tokuda and Members:

SUBJECT: Senate Bill No. 2501 SD1, Relating to Procurement

The Department of Design and Construction (DDC) respectfully provides the following comments on Senate Bill No. 2501 SD1, which "(1) Requires past performance to be considered in future bid selection of a contractor; and (2) Requires departments to consider available assessments of previous performance on relevant and recent government contracts when making contract awards."

1. DDC primarily administers professional services and construction contracts. Existing law allows past performance to be considered prior to award for these types of contracts, so the proposed legislation would not necessarily improve the existing procurement process.
 - a. Consideration of past performance in selection of professional services providers is encoded in Hawaii Revised Statutes (HRS) 103D-304. DDC's procedures include completing performance evaluations of professional services providers and considering past evaluations when selecting consultants for future professional services contracts.
 - b. Consideration of past performance in selection of construction contractors by competitive sealed bidding is allowable under HRS 103D-302. DDC's procedures include completing performance evaluations of construction contractors. Also, DDC has piloted and is continuing to develop procedures to incorporate consideration of past performance in qualification of offerors for construction contracts.

The Honorable Jill N. Tokuda
and Members
February 24, 2016
Page 2

2. The bill does not allow consideration of past performance on projects for private owners, which can be particularly relevant for contractors with no past performance record on projects for public agencies.
3. The proposed legislation could burden procurement procedures with requirements that consume additional resources and result in additional contracting delays without commensurate benefits.

Based on the above considerations, DDC considers Senate Bill No. 2501 SD1 to be unnecessary and potentially detrimental to efficient contracting procedures.

Thank you for the opportunity to testify.

Very truly yours,


Robert J. Kroening, P.E.
Director

1065 Ahua Street
Honolulu, HI 96819
Phone: 808-833-1681 FAX: 839-4167
Email: info@gcahawaii.org
Website: www.gcahawaii.org



GCA of Hawaii
GENERAL CONTRACTORS ASSOCIATION OF HAWAII
Quality People. Quality Projects.

Uploaded via Capitol Website

February 25, 2016

TO: HONORABLE JILL TOKUDA, CHAIR, HONORABLE DONOVAN DELA CRUZ,
VICE CHAIR, SENATE COMMITTEE ON WAYS AND MEANS

SUBJECT: **COMMENTS TO S.B. 2501, SD1 RELATING TO PROCUREMENT.**

Requires past performance to be factored into future bid selection of a contractor. Defines past performance. Requires past performance to be considered in sole source procurement. Requires that upon completion of a procurement contract, the department that issued the request for proposal shall evaluate the work and performance of the respective contractors and maintain the evaluations in the department's files. Appropriates funds. Effective January 1, 2017. (SD1)

HEARING

DATE: Friday, February 26, 2016
TIME: 9:45 a.m.
PLACE: Capitol Room 211

Dear Chair Tokuda, Vice Chair Dela Cruz and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of over five hundred seventy general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. The mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

S.B. 2501, HD1, Relating to Procurement proposes to require that past performance of a contractor be factored into future low bid selection and for sole source procurement. **GCA's comments are limited to how this measure relates to construction contracts only as it appears the areas of concern in construction include: (1) being on budget; (2) being on time; and (3) the delivery of good quality work.**

2013-2015 History of Past Performance Discussions and Task Forces

From 2013 through part of 2015 the Procurement Task Force was initiated pursuant to [Senate Concurrent Resolution 92 \(2013\)](#) which has been meeting since 2013 through the early part of 2015, and one of the issues discussed included how to address bad performing contractors. Additionally, in 2014 this body passed [House Concurrent Resolution 176 \(2014\)](#), which required a study of past performance of government contractors. These Task Forces together with participating government agencies and private industry stakeholders agreed that this issue needs further discussion before dictating an approach with potential unintended consequences. Last year, pursuant to [Act 182 \(2015\)](#) this body extended the Procurement Task Force to specifically identify and propose amendments, if any, to the procurement code that may better promote economy, efficiency, effectiveness, and impartiality in the procurement of public works construction projects, specifically regarding statewide past performance standards and

procedures. Unfortunately, the Act 182 (2015) Task Force did not meet during the interim to address these issues, but it has initiated meeting last month to address this very issue.

It is important to note that consideration of past performance in procurement is already permitted under 103D-302(f) under the invitation for bid process, what is commonly known as low bid, however for various reasons agencies choose not to use it. Under Section 103D-302(f), HRS an invitation for bid may set the requirements to determine qualifications and criteria for a project. In other words, the agency may set the criteria and qualifications for the bidder in its bid specifications, which could include such criteria as past performance, recent project history and any other qualifications an agency may find necessary. The reason for this reluctance on the part of the state agencies to use this section may be due to difficulty to quantify, evaluate, and administer past performance.

The consideration of past performance for low bid contracts raises a number of concerns for GCA, including but not limited to: ensuring objective administration and evaluation processes for agencies in determining qualified past performance criteria, including how the state or county would receive information about private projects; inability for a new contractor to bid public work due to lack of past performance qualifications; agency's lack of resources, including staff and funding for implementation and administration of past performance for low bid contracts; procedural due process concerns and appeal procedures; and ensuring efficiency, integrity and transparency in the procurement process of public works construction projects. In construction, a number of evaluation factors must be taken into consideration, including licensing, subcontractor performance, less than stellar designs, unforeseen conditions, inclement weather, inadequate administration and oversight, untimely and disruptive owner requested change orders, unforeseen hazardous condition discoveries, the need to accommodate user activities that limit noise (such as exam week) or odorous, sometimes toxic activities, that may be reasons why the project does not come in satisfying the 3 noted criteria: (1) On budget; (2) On time; and (3) numerous changes to the original design.

Therefore, GCA believes this bill is premature as state and county agencies along with stakeholders have made initial steps in addressing possible solutions, thus may be able to provide better guidance in addressing how past performance can be used to evaluate contractors. **Instead, the better option is to provide the Task Force another opportunity to identify what the best approach would be to factor in past performance in a fair and objective assessment of a contractor's performance.**

Thank you for considering our comments on this measure.

SAH - Subcontractors Association of Hawaii

1188 Bishop St., Ste. 1003**Honolulu, Hawaii 96813-2938

Phone: (808) 537-5619 ✦ Fax: (808) 533-2739

February 26, 2016

Testimony To: Senate Committee on Ways and Means
Senator Jill N. Tokuda, Chair

Presented By: Tim Lyons, President

Subject: S.B. 2501, SD 1 - RELATING TO PROCUREMENT

Chair Tokuda and Members of the Committee:

I am Tim Lyons, President of the Subcontractors Association of Hawaii. The SAH represents the following nine separate and distinct contracting trade organizations.

HAWAII FLOORING ASSOCIATION

ROOFING CONTRACTORS ASSOCIATION OF HAWAII

HAWAII WALL AND CEILING INDUSTRIES ASSOCIATION

TILE CONTRACTORS PROMOTIONAL PROGRAM

PLUMBING AND MECHANICAL CONTRACTORS ASSOCIATION OF HAWAII

SHEETMETAL CONTRACTORS ASSOCIATION OF HAWAII

PAINTING AND DECORATING CONTRACTORS ASSOCIATION

PACIFIC INSULATION CONTRACTORS ASSOCIATION

The concept that this bill puts forward is overdue. The mechanics of how it will be done are less clear to us so we reserve judgement on this bill. There is no doubt that those contractors that do not have a good past performance should not be entitled to receive additional contracts potentially costing the state and the counties more money for remedial work and/or liability exposure for faulty work.

Our concern however, is based on how one judges these items. As is noted in the bill, the kinds of things that past performance will be judged on are deficiencies, legal actions, failure to complete and "assessments" of prior work. The problem is the subjective judgment that will be required in order to determine these items. Was it a supplier/manufacturer that could not deliver materials on time to the contractor who then caused a failure to complete the project? Was a change order a result of architectural deficiencies not the fault of the contractor or, was the contract in litigation because of actions of the general but all contractors on the project were enjoined in a lawsuit? While it is important to know if there was a delay, it is more important to why there was a delay and how to judge who is at fault.

In summary, we are not opposed to the usage of past performance however, this Committee may remember the creation of the PIP Program under a past Administration which caused an uproar in the construction industry because it was seen as so subjective that contractors felt they were being denied an opportunity to participate while others were being favored. Its centerpiece was past performance. We would like not to see a repeat of that fiasco.

Based on the above then, we are not opposed to the concept offered in this bill; however we would like to reserve judgement until we can see additional details.

Thank you.

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: LaurieHo1@hawaiiantel.net
Subject: Submitted testimony for SB2501 on Feb 26, 2016 09:45AM
Date: Thursday, February 25, 2016 2:37:46 PM

SB2501

Submitted on: 2/25/2016

Testimony for WAM on Feb 26, 2016 09:45AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Laurie Ho	Individual	Support	No

Comments: Aloha and thank you for the opportunity to submit my testimony in writing. I wish to urge you and your committee members to **STRONGLY SUPPORT HB 2501**. Please make your timetable reflect the realities of the process being proposed. Please extend your "holdover period" beyond the one(1) year timeline and just say, "holdover is authorized until water rights are finally resolved." Mahalo for your time and attention. No Water ~ no Agriculture. No Agriculture ~ NO Food.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: stephmanera@gmail.com
Subject: *Submitted testimony for SB2501 on Feb 26, 2016 09:45AM*
Date: Wednesday, February 24, 2016 1:52:37 PM

SB2501

Submitted on: 2/24/2016

Testimony for WAM on Feb 26, 2016 09:45AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Stephanie Manera	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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ATTACHMENT C

HART

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Construction and Traffic Update March 17, 2016

H O N O L U L U R A I L T R A N S I T P R O J E C T

www.HONOLULUTRANSIT.ORG

HART

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Project Map

20 Miles – 21 Stations



Rail Operations Center (ROC)



Physical Construction Completion	94%
Contract Billed to Date	92%
Contract Billing Planned Per Schedule	95%

- ROC construction currently tracking to the planned Substantial Completion date of May 2016.

West Oahu Farrington HWY (WOFH)

Construction Completion	84%
Contract Billed to Date	75%
Contract Billing Planned Per Schedule	89%

Contract Substantial Completion: July 2016

Projected Completion

- Guideway Structure, Track and Roadway Civil – July 2016
- LCC Station At-grade Section – December 2016



West Oahu Farrington HWY (WOFH)



Construction Completion 83%*

Contract Billed to Date 80%

Contract Billing Planned Per Schedule 91%

* Reduction in % due to track work progress being added.

Contract Substantial Completion: July 2016

Projected Completion

- *Guideway Structure, Track and Roadway Civil – July 2016*
- *LCC Station At-grade Section – December 2016*
- *6 month time extension beyond substantial completion needed for LCC At-grade section due to changes and impacts from lack of access to the LCC work area.*



West Oahu Stations

Construction Completion	0%
Contract Billed to Date	0%
Contract Billing Planned Per Schedule	0%

- Contractor mobilized on Feb 29, 2016 at UH West Oahu and commenced with clearing & grubbing, site preparation for field office, lay down and construction area.
- Revised Baseline Schedule comments sent back to contractor.
- Preconstruction and Pre-Activity in progress.
- Awaiting approvals for Right of Entry at Ho'opili. Contractor documentation to comply with Right of Entry submitted.
- Construction coordination continues with interfacing contractors.



Farrington HWY Stations

Construction Completion	0%
Contract Billed to Date	0%
Contract Billing Planned Per Schedule	0%

- *Contractor Preconstruction Activities Ongoing*
- *Mobilization into West Loch and Waipahu*
- *Construction Coordination with West Guideway DB*



Kamehameha Highway Guideway (KHG)

Physical Construction Completion 44.6%*
Contract Billed to Date 54.9%
Contract Billing Planned Per Schedule 94.7%

* Reduction in % due to tracking 3 additional items (track work, third rail, and mill & overlay roadway)

Contract Substantial Completion: September 2016

Projected Completion

- Guideway Structure and Track – March 2017
- Roadway Civil – September 2017



H2R2 Ramp

Construction Completion	0%
Contract Billed to Date	0%
Contract Billing Planned Per Schedule	0%

- Completion of environmental remediation on the HDOT ROW of the Lee property. Projected completion in March.
- Temporary construction signage installed in H1 ROW.



Pearl Highlands Station

Kamehameha HWY Stations Group (KHSKG)

Construction Completion	0%
Contract Billed to Date	0%
Contract Billing Planned Per Schedule	0%

- *Contract awarded on January 27, 2016. NTP pending.*



Moving Forward: The Next 10 Miles



Airport Advanced Utilities

Physical Construction Completion	48%
Contract Billed to Date	42%

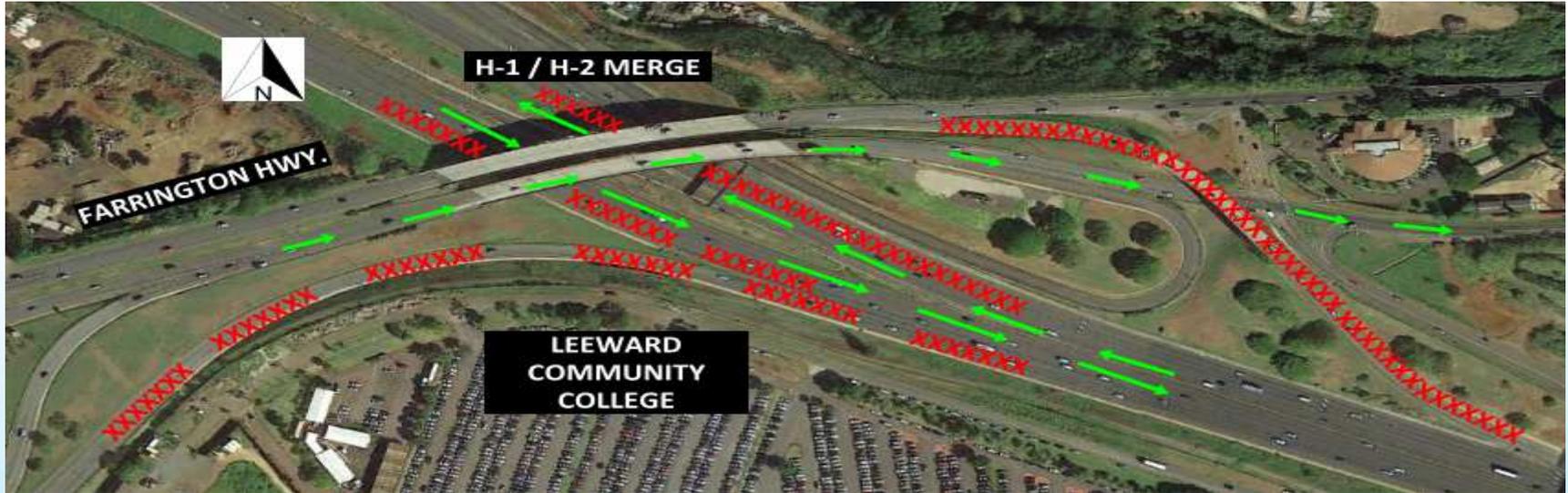
- *Airport Section Utility Construction currently is tracking 2 months behind the planned Substantial Completion date based upon the contractors recent unapproved schedule update.*



Traffic Update

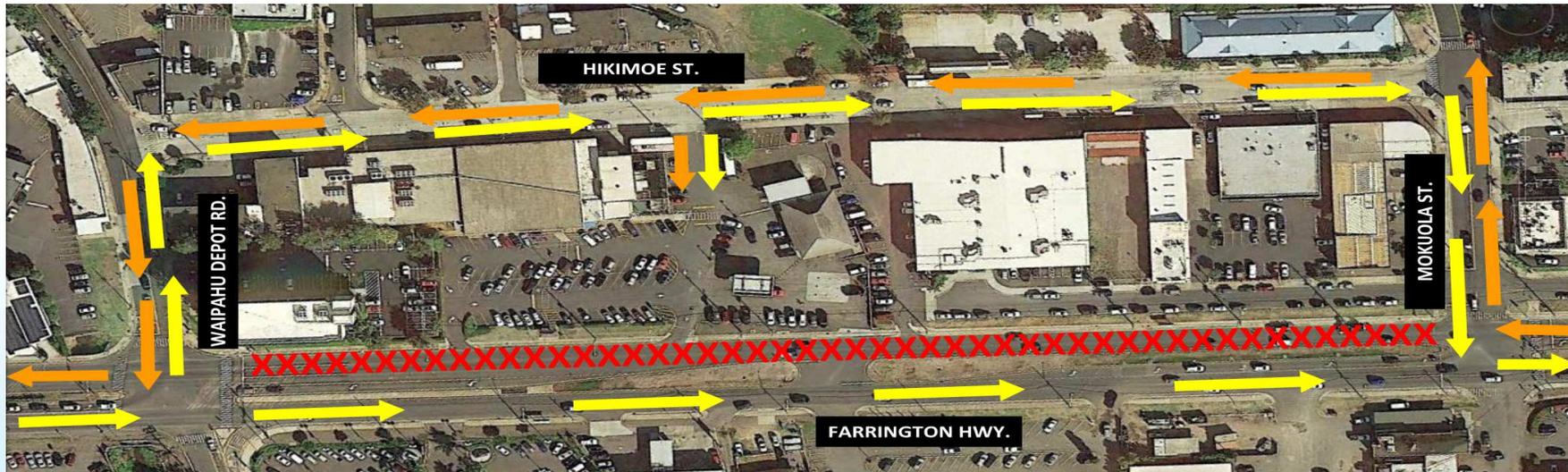


Farrington Highway in Waipahu



- Standard overnight closures at the H-1/H-2 merge

Farrington Highway in Waipahu



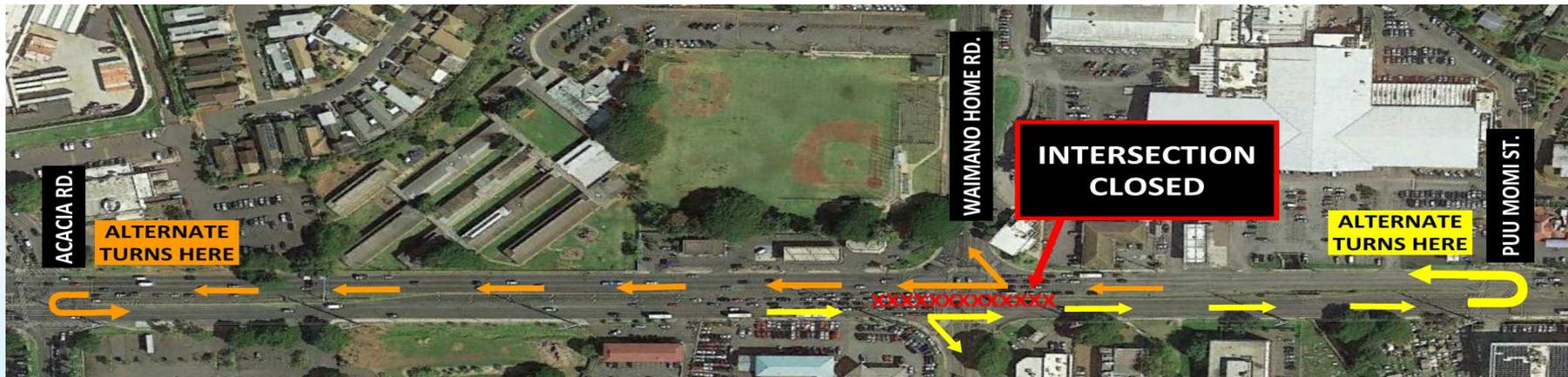
- Westbound closure between Mokuola Street and Waipahu Depot Road for utility and guideway work

Farrington Highway in Waipahu



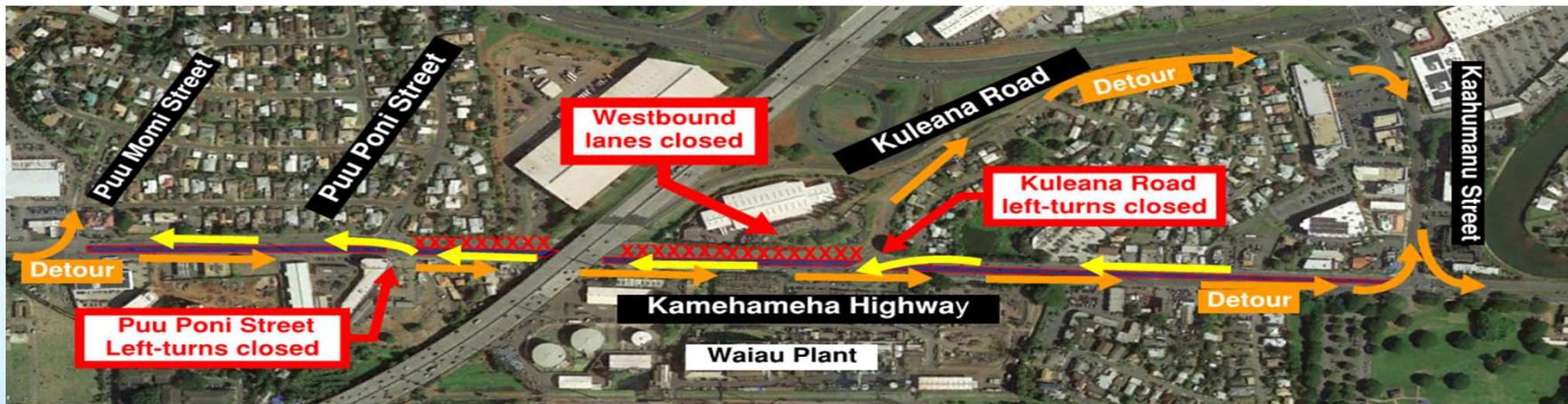
- Eastbound and westbound crossovers between Mokuola and Awamoku Streets for truss removal.
- Closures in place from 8:30 AM to 5:30 AM the following day

Kamehameha Highway – Pearl City



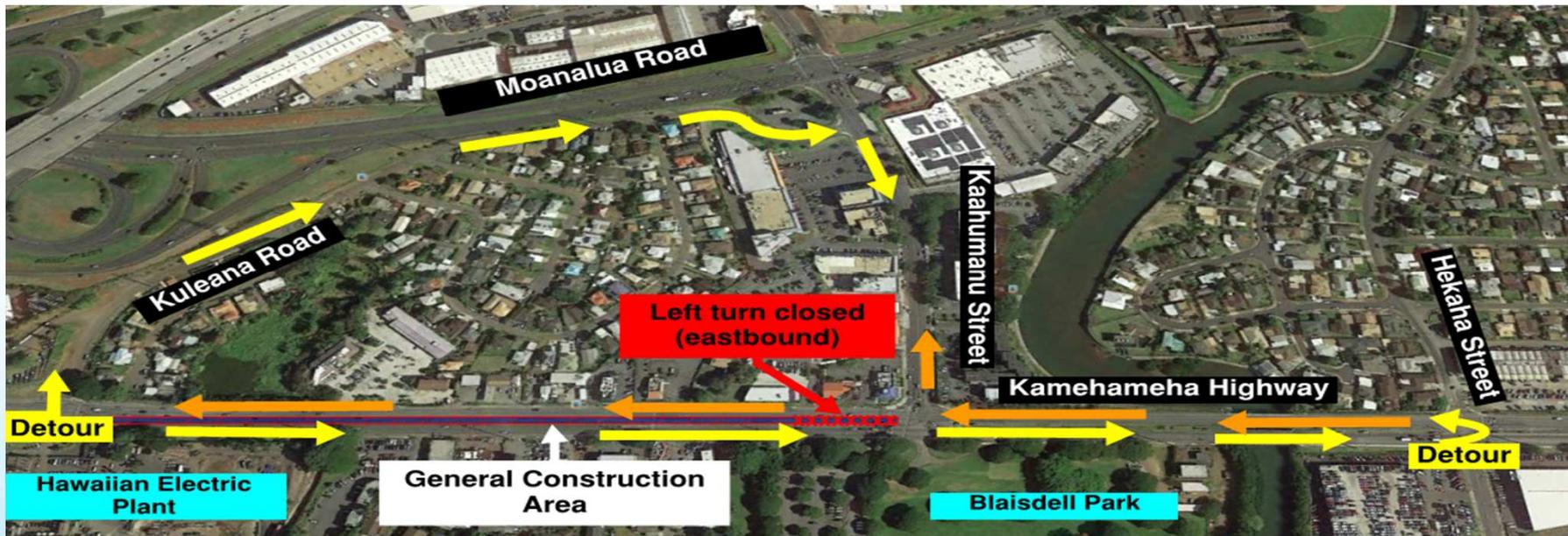
- Waimano Home Road left-turn and intersection closures for segment installation

Kamehameha Highway – Pearl City



- Nightly westbound crossovers for Balanced Cantilever System (BCS) work

Kamehameha Highway – Pearl City



- Eastbound left-turn restrictions at Kaahumanu Street for column work
- Daily off peak westbound inside lane closure for BCS work

Kamehameha Highway – Pearl City



- 24/7 inside lane closures for drilled shaft work
- Alternate westbound left-turn created for access to Pearl Kai Shopping Center

Mahalo!



ATTACHMENT D

HART

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Right-of-Way Status Update March 17, 2016

H O N O L U L U R A I L T R A N S I T P R O J E C T

www.HONOLULUTRANSIT.ORG

HART

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Meeting our Goals

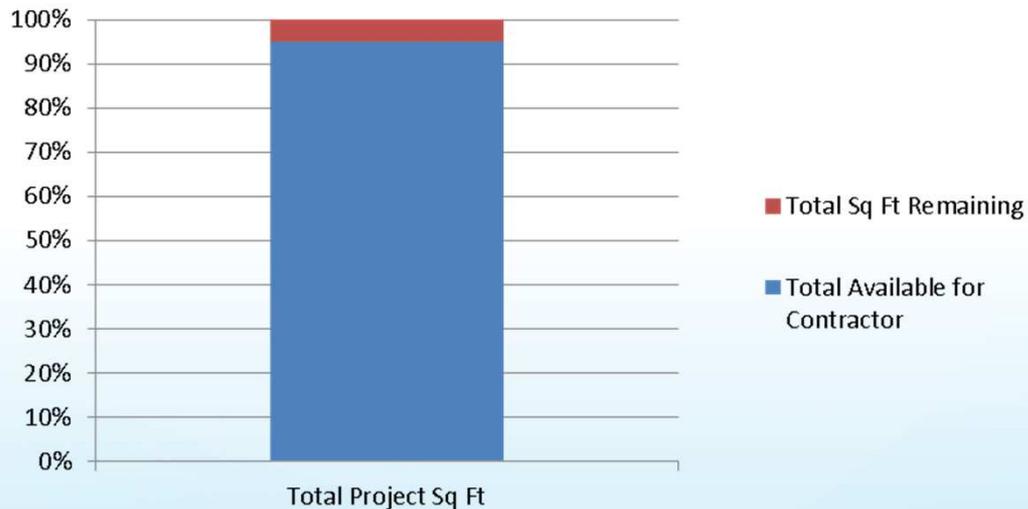
- **Balance respect for property owner with schedule needs and project budget**
- **Balance responsibility of staying within the budget in a changing real estate market**
- **Continue to communicate and educate effectively**
- **Negotiate fairly**
- **Meet requirements of the Uniform Act**

Status Summary

- **ROW team continues to meet the schedule for City Center acquisitions relative to program procurement needs**
 - **Intense focus on Airport and Dillingham Parcels to support upcoming procurement**
- **Current total site access available for contractor is 95% of the total area needed**
- **Eminent Domain pending**
 - **50 prior requests for authorization from HART Board**
 - **2 parcels for resubmission**
 - **2 parcels rejected by the City Council**
 - **5 cases filed**
 - **1 settled prior to trial**
 - **1 settled prior to trial, pending FTA approval**
 - **1 parcel disputed**
 - **2 friendly condemnations to resolve title issues**
 - **19 properties in escrow**

Progress Site Access Available by Land Area

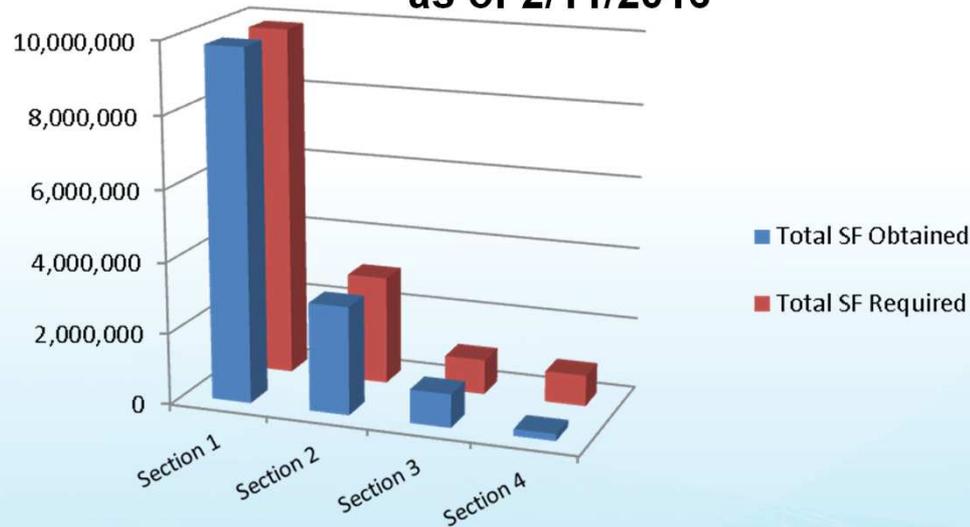
as of 2/11/2016



Total Project Sq Ft	Total Sq Ft Requirement	14,681,528
	Total Available for Contractor	13,959,846
	Total Sq Ft Remaining	721,682
	% Available for Contractor	95%
	Reported Last Month	95%

Progress Site Access Available to Contractors by Land Area by Section

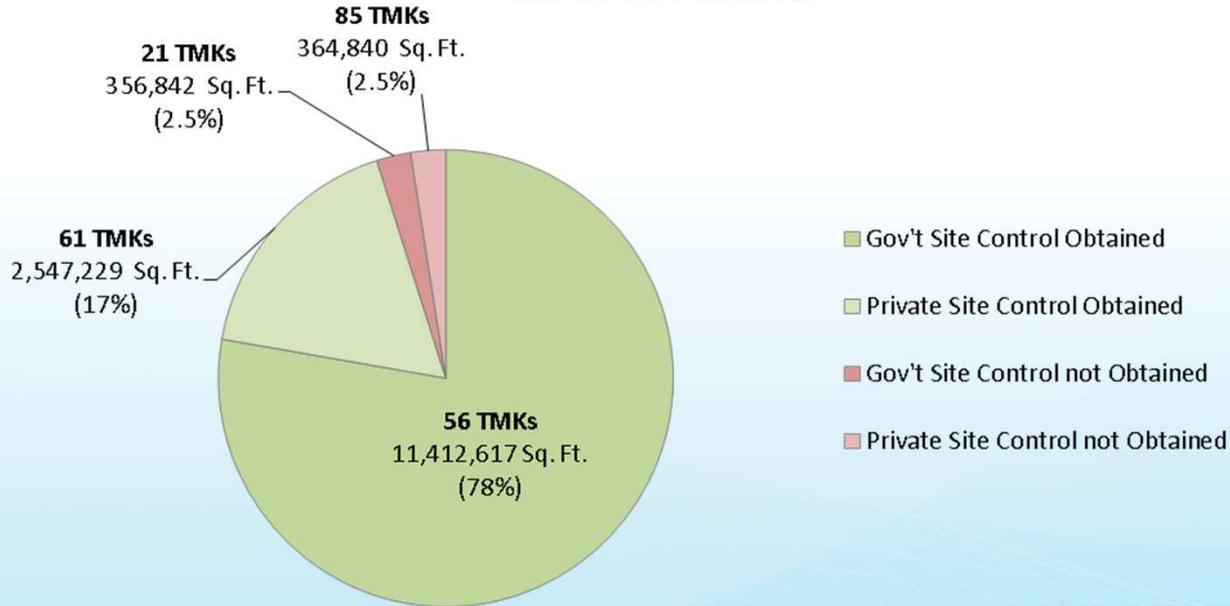
as of 2/11/2016



	Section 1	Section 2	Section 3	Section 4
Total SF Obtained	9,808,840	3,023,851	934,401	192,754
Total SF Required	9,808,840	3,027,319	979,875	865,494
% Progress	100.00%	99.89%	95.36%	22.27%

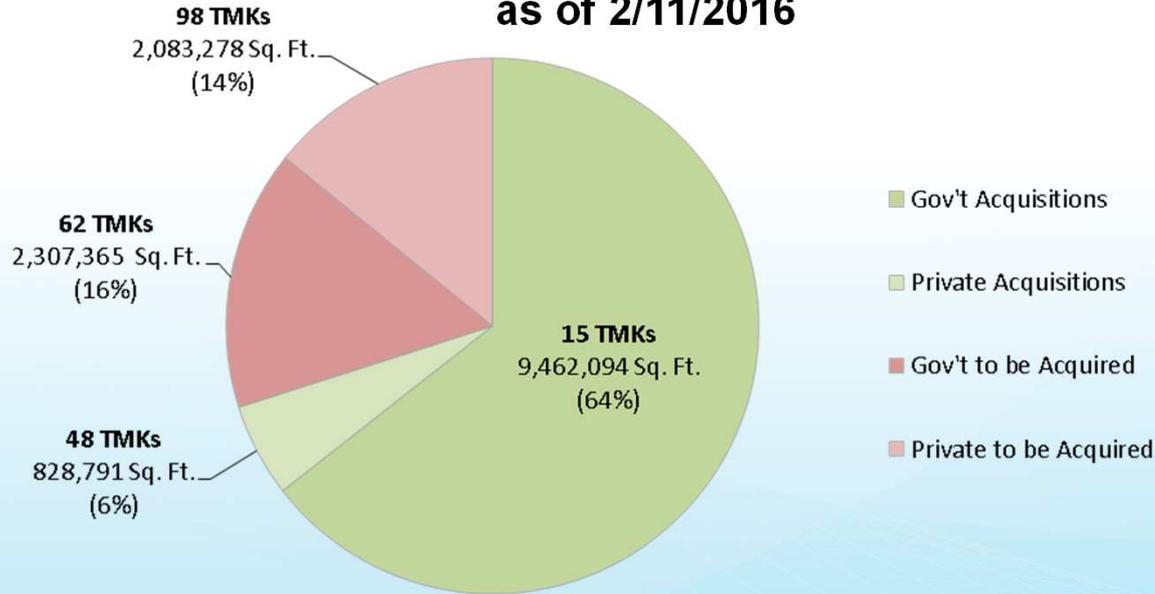
Parcel Site Control Status by Land Area and Ownership Type

as of 2/11/2016



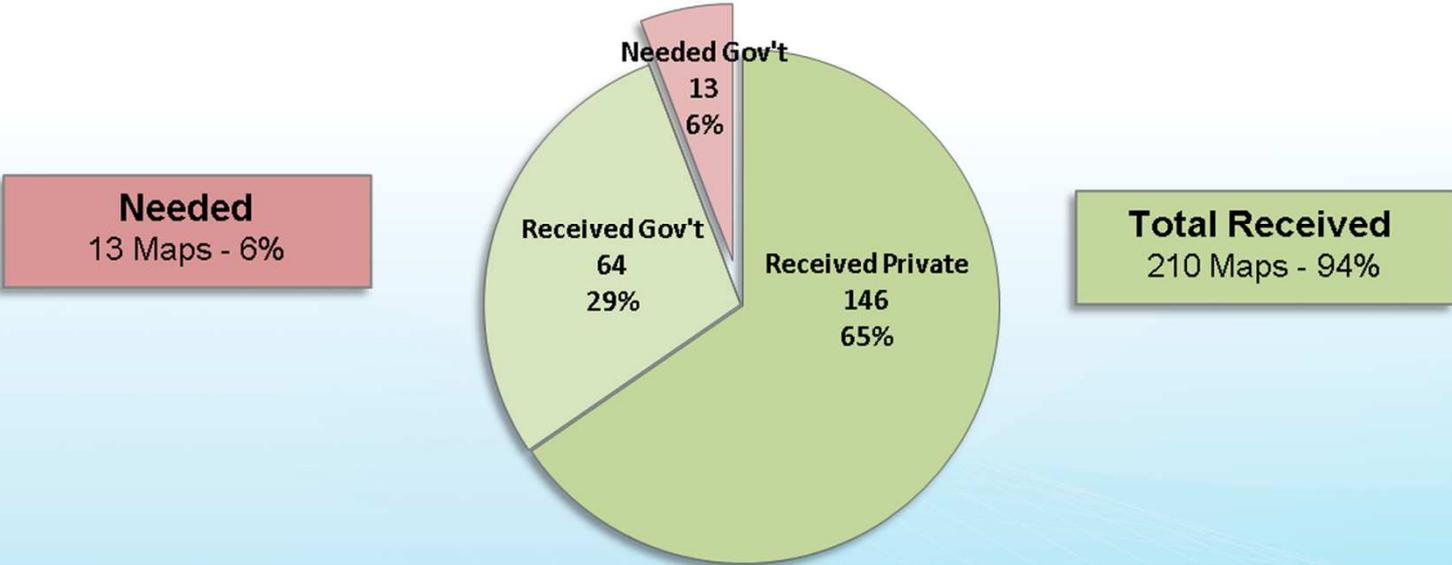
Acquisition Status by Land Area and Ownership Type

as of 2/11/2016



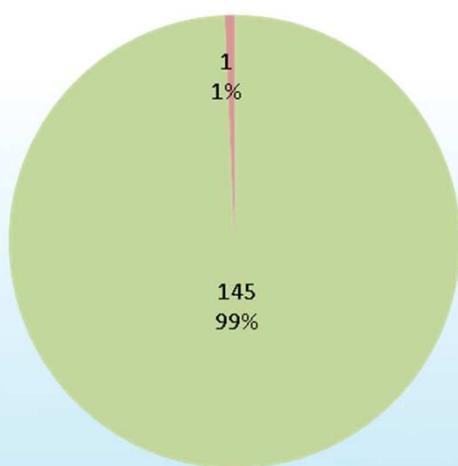
Survey Maps

(Privately Owned + Government Parcels)
as of 2/11/2016



Appraisal Status

Privately Owned Parcels as of 2/11/2016



Tax Map Key

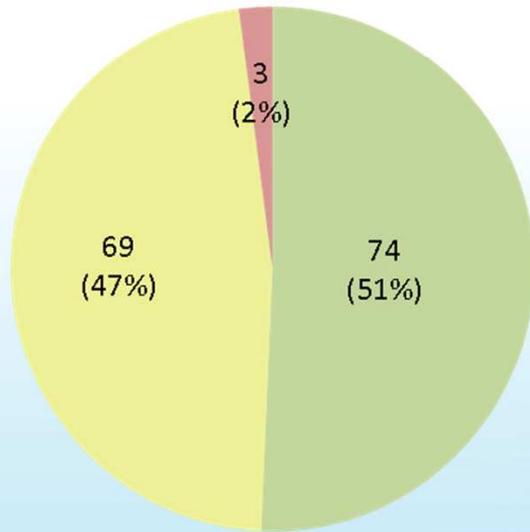


Square Footage

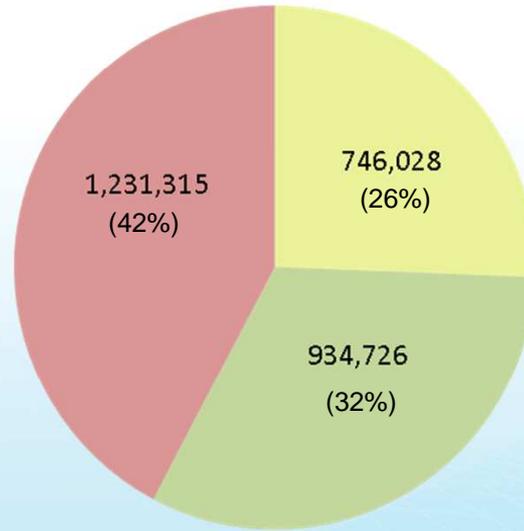
- Appraisals Complete
- Appraisals in Preparation

Offer Status

Privately Owned Parcels as of 2/11/2016



Tax Map Key

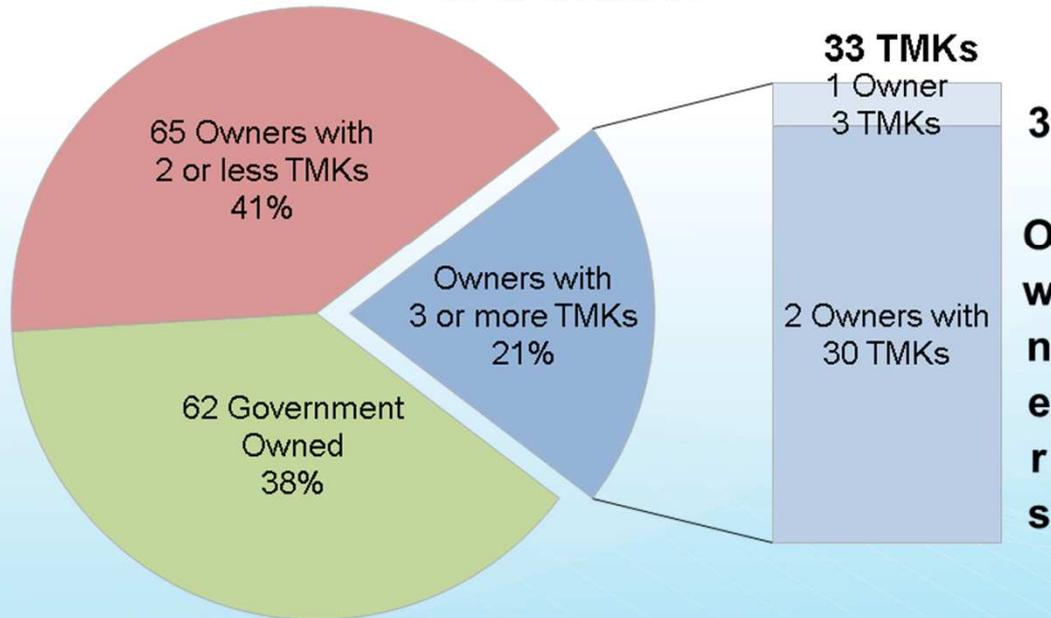


Square Footage

- Offers Accepted
- Offers Sent and Pending
- Offers in Preparation

Parcels to be Acquired by Tax Map Key (TMK)

(Privately Owned + Government Parcels)
as of 2/11/2016



Right-of-Way Cost Estimate Update

as of 2/11/2016

	Budget	Expended	Remaining Budget Balance	Estimate to Completion	Forecast Variance
Acquisition	\$201.70	\$86.00	\$115.70	\$102.60	\$13.10
Relocation	\$20.50	\$10.40	\$10.10	\$16.10	(\$6.00)
Total (Million)	\$222.20	\$96.40	\$125.80	\$118.70	\$7.10

Notes:

- ❖ Administrative overhead costs aggregated with the Acquisition and Relocation numbers
- ❖ Estimate to completion based on offers, appraisals or assessed values

Right-of-Way Risks to Budget

- **Volatility of Real Estate Market, especially in the Kakaako-Ala Moana area**
- **Managing the number of conversions from partial acquisition to full acquisition**
- **Unanticipated relocation costs for complex relocations, particularly unexpected full takes**

Private Property Acquisition Summary as of 2/11/2016

No	TMK	Take	Address	Recordation Date	Settlement (\$)	Total Acquisition (\$)	FFGA Budget	Note	Remaining Balance in Budget
1	1-1-016-005	Full	2676 Waiwai Loop	7-Mar-14	4,900,000	4,924,144	6,173,973		1,249,829
2	1-1-016-006	Full	2668 Waiwai Loop	28-Mar-14	3,900,000	3,918,089	4,648,445		730,356
3	1-1-016-014	Full	479 Lagoon Drive	21-Mar-14	2,825,000	3,042,274	3,930,328		888,055
4	1-1-016-015	Full	515 Lagoon Drive	3-Jun-13	3,540,000	3,551,508	5,067,659		1,516,151
5	1-1-016-016	Full	2613 Waiwai Loop	5-Jan-16	5,936,000	6,062,548	472,448	**	-5,590,100
6	1-2-003-016	Full	1819 Dillingham Boulevard	21-Apr-14	1,100,000	1,106,416	1,741,689		635,273
7	1-2-003-017	Partial	1815 Dillingham Boulevard	11-May-15	150,308	151,758	111,258		-40,500
8	1-2-003-018	Partial	1803 Dillingham Boulevard	14-Aug-15	140,589	142,407	261,258		118,851
9	1-2-003-020	Partial	1727 Dillingham Boulevard	7-Dec-15	216,245	220,540	364,465		143,925
10	1-2-003-082	Full	1825 Dillingham Boulevard	31-Jul-14	980,000	984,299	1,596,625		612,326
11	1-2-003-101	Partial	1701 Dillingham Boulevard	16-Nov-15	455,000	458,234	463,178		4,944
12	1-2-009-001	Full	1901 Dillingham Boulevard	16-Aug-12	2,800,000	2,805,135	2,814,000		8,865
13	1-2-009-100	Full	1953 Dillingham Boulevard	16-Dec-14	2,250,000	2,257,359	436,620	**	-1,820,739
14	1-2-009-101		Subdivided TMK 1-2-009-017 into 100 and 101						
15	1-2-009-018	Full	1927 Dillingham Boulevard	18-Nov-14	800,000	804,686	261,258	**	-543,428
16	1-2-010-068	Full	1900 Dillingham Boulevard	4-Dec-12	1,825,000	1,831,279	2,529,000		697,721
17	1-5-007-021	Full	545 Kaaahi Street	11-Oct-14	2,275,000	2,285,000	2,819,500		534,496
18	1-5-007-023	Full	533 Kaaahi Street	23-Apr-10	2,850,000	2,850,000	2,850,000	*	0
19	1-5-028-073	Partial	1617 Dillingham Boulevard	13-Oct-15	255,000	258,439	179,373		-79,066
20	1-7-002-026	Full	902 Kekaulike Street	1-Nov-12	5,200,000	5,219,351	4,927,000	**	-292,351
21	2-1-031-002	Easement	598 Halekauwila Street	18-Dec-15	100,000	102,406	179,517	***	77,111
22	2-3-004-048	Full	1156 Waimanu Street	21-Mar-12	1,720,000	1,730,578	1,730,578		0
23	2-3-004-069	Full	1168 Waimanu Street	10-Feb-12	2,650,000	2,660,398	2,658,317		-2,081
24	2-3-007-033	Full	1169 Kona Street	13-Oct-14	5,800,000	5,825,106	10,102,669		4,277,563
25	2-3-007-036	Full	1174 Waimanu Street	8-Oct-14	1,400,000	1,407,845	1,951,386		543,541
26	2-3-007-039	Full	1163 Kona Street	1-Dec-15	3,000,000	3,010,960	2,644,402		-366,558
27	2-3-007-044	Full	1201 Kona Street	3-Oct-14	1,350,000	1,357,540	1,751,700		394,160
28	2-3-007-054	Full	1246 Kona Street	15-May-15	1,100,000	1,105,634	1,439,263		333,629
29	9-4-017-011	Full	94-818 Moloalo Street	4-Aug-11	870,000	870,000	870,000	*	0
30	9-4-019-050	Full	94-819 Farrington Highway	1-Aug-12	1,000,000	1,004,277	1,005,000		723
31	9-4-047-008	Partial	94-144 Farrington Highway	13-Mar-15	887,816	898,742	743,278		-155,464
32	9-4-048-046	Full	94-119 Farrington Highway	25-Jul-11	3,155,000	3,159,142	3,159,142	*	0
33	9-4-048-047	Full	94-136 Leonui Street	25-Jul-11	2,745,000	2,749,142	2,749,142	*	0
34	9-6-003-012	Full	96-171 Kamehameha Highway	29-Jun-11	287,000	287,030	287,030	*	0
35	9-6-003-013	Full	96-165/169 Kamehameha Highway	7-Sep-11	454,000	455,588	455,588	*	0
36	9-6-003-014	Full	96-157 Kamehameha Highway	27-Jun-11	1,214,000	1,216,787	1,216,787	*	0
37	9-6-003-015	Full	96-159 Kamehameha Highway	10-Aug-11	53,000	53,304	53,304	*	0
38	9-6-003-016	Full	96-149A Kamehameha Highway	10-Aug-11	22,000	22,304	22,304	*	0
39	9-6-003-017	Full	96-149 Kamehameha Highway	15-Sep-11	558,000	559,914	559,914	*	0
40	9-6-003-018	Full	96-137 Kamehameha Highway	25-Jan-12	1,015,000	1,017,915	1,017,915	*	0
41	9-6-004-002	Full	96-93 Kamehameha Highway	5-May-11	790,000	790,000	790,000	*	0
42	9-6-004-017	Full	Kamehameha Highway	29-Jun-11	90,000	90,000	90,000	*	0
43	9-6-004-023	Partial	Waihona Street	4-Aug-15	22,300	24,476	157,965		133,489
44	9-7-023-008	Partial	945 Kamehameha Highway	26-May-15	300,000	300,000	151,344		-148,656
45	9-7-024-034	Easement	1000 Kamehameha Highway	19-Jan-16	28,345	29,983	679,106	***	649,123
46	9-8-009-017	Full	98-077 Kamehameha Highway	14-Jun-13	2,500,000	2,509,030	3,512,500		1,003,470
47	9-8-010-002	Full	98-080 Kamehameha Highway	1-May-12	6,010,000	6,027,021	6,027,021	*	0
48	9-9-003-068	Full	99-140 Kohomua Street	13-Sep-11	991,000	993,783	993,783	*	0
					82,510,603	83,132,374	88,647,033		5,514,658

Notes:

* Baseline assumes zero variance (budget = actual) during FFGA approval process.

** Cost exceeded budgeted amount due to conversion from partial to full acquisition. Bold print reflects most recent acquisition

Mahalo!



ATTACHMENT E

HONOLULU RAIL TRANSIT PROJECT



February 2016 MONTHLY PROGRESS REPORT



www.HonoluluTransit.org

THIRD PARTY DISCLAIMER

This report and all subsidiary reports are prepared for the Federal Transit Administration (FTA). This report should not be relied upon by any party, except the FTA or HART, in accordance with the purposes as described below.

For projects funded through the FTA Full Funding Grant Agreements (FFGAs) program, the FTA and its Project Management Oversight Contractor (PMOC) use a risk-based assessment process to review and validate a project sponsor's budget and schedule. This risk-based assessment process is a tool for analyzing project development and management. Moreover, the assessment process is iterative in nature; any results of an FTA or PMOC risk-based assessment represent a "snapshot in time" for a particular project under the conditions known at that same point in time. The status of any assessment may be altered at any time by new information, changes in circumstances, or further developments in the project, including any specific measures a sponsor may take to mitigate the risks to project costs, budget, and schedule, or the strategy a sponsor may develop for project execution. Therefore, the information in the monthly reports will change from month to month, based on relevant factors for the month and/or previous months.

REPORT FORMAT AND FOCUS

This report is submitted in compliance with the terms of FTA Contract No. DTFT60-09-D-00012, Task Order No. 2. Its purpose is to provide information and data to assist the FTA as it continually monitors the grantee's technical capability and capacity to execute a project efficiently and effectively, and hence, whether the grantee continues to be ready to receive federal funds for further project development.

This report covers the project and quality management activities on the Honolulu Rail Transit Project managed by the Honolulu Authority for Rapid Transportation (HART) with HART as the grantee and partially financed by the FTA FFGA.

ON THE COVER:

Left: West O'ahu Farrington Highway Guideway along Farrington Highway looking Waianae.

Upper right: West O'ahu Farrington Highway Guideway along Farrington Highway near Waipahu High School.

Lower right: Rail Operations Center (aka Maintenance and Storage Facility) site.

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LIST OF ACRONYMS

AB	AnsaldoBreda	DIT	Department of Information Technology
ACHP	Advisory Council on Historic Preservation	DKSG	Dillingham and Kaka’ako Station Group
ACS	Access Control System	DLIR	Hawai’i Department of Labor and Industrial Relations
AFE	Authorized for Expenditure	DLNR	Department of Land and Natural Resources
AGS	Airport Guideway and Stations	DOE	Department of Education
AHJV	Ansaldo Honolulu Joint Venture	DOH	Department of Health
AIS	Archaeological Inventory Survey	DOL	Department of Labor
APTA	American Public Transportation Association	DPM	Deputy Project Managers
ARRA	American Recovery and Reinvestment Act	DPP	Department of Planning and Permitting
ASG	Airport Station Group	DPR	Department of Parks and Recreation
ASU	Airport Section Utilities	DPS	Department of Public Safety
ATC	Automated Train Control	DS	Downstream
ATO	Automated Train Operation	DTS	Department of Transportation Services
AVA	Anil Verma Associates, Inc.	DVT	Design Verification Test
BA	Buy America	ECP	Environmental Compliance Plan
BAC	Buy America Compliance	E/E	Elevator/Escalator
BACM	Buy America Compliance Matrix	EK	East Kapolei
BAFO	Best and Final Offer	EMC	Electromagnetic Compatibility
BCS	Balanced Cantilever System	EMF	Electromagnetic Forces
BFS	Budget and Fiscal Services	EMI	Electromagnetic Interference
BLS	Bureau of Labor Statistics	EMP	Environmental Management Plan
BMP	Best Management Practice	EOR	Engineer of Record
BOD	Board of Directors	EOS	Electrically Operated Switch
BUE	Bottom-Up Estimate	ESA	Engineering Services Agreement
CAM	Construction Access Milestone	FAA	Federal Aviation Administration
CAR	Corrective Actions	FAI	First Article Inspections
CCGS	City Center Guideway and Stations	FAT	Factory Acceptance Tests
CCO	Contract Change Order	FD	Final Design
CCTV	Closed Circuit Television	FDAS	Fire Detection Alarm System
CDC	Compendium of Design Criteria	FDC	Field Design Change
CE&I	Construction Engineering and Inspection	FEIS	Final Environmental Impact Statement
CEL	Certifiable Elements List	FFC	Fixed Facility Contractors
CIC	Communication Interface Cabinet	FFGA	Full Funding Grant Agreement
CIL	Certifiable Items List	FHSG	Farrington Highway Station Group
CM	Construction Manager	FLSWG	Fire Life Safety Working Group
CMP	Corrugated Metal Pipe	FOCN	Fiber Optic Communication Network
CMS	Contract Management System	FPO	Federal Preservation Officer
CMU	Concrete Masonry Unit	FTA	Federal Transit Administration
CNMMP	Construction Noise Mitigation and Monitoring Plan	FTE	Full-Time Equivalent
COI	Conflict of Interest	FWS	Fish and Wildlife Service
COMMs	Communications	GAT	Great Aleutian Tsunami
CONRAC	Consolidated Rental Car Facility	GBS	Gap Breaker Station
COR	Corporation Counsel	GDR	Geotechnical Data Report
CP	Consulting Party	GEC	General Engineering Consultant
CPM	Critical Path Method	GET	General Excise Tax
CPO	Chief Procurement Officer	GIS	Geographic Information System
CPP	Contract Packaging Plan	GSA	General Services Administration
CROE	Construction Right-of-Entry	GT	General Terms
CSC	Core Systems Contract	HA	Hazard Analysis
CSCC	Construction Specification Conformance Checklists	HABS	Historic American Buildings Survey
CSL	Cross Hole Sonic Logging	HAER	Historic American Engineering Record
CSOC	Core Systems Oversight Consultant	HALS	Historic American Landscape Survey
CSSP	Construction Safety & Security Plan	HART	Honolulu Authority for Rapid Transportation
CTS	Communications Transmission System	HCC	Honolulu Community College
CWRM	Commission on Water Resource Management	HCDA	Hawaii Community Development Authority
CZM	Coastal Zone Management	HCSA	Hawai’i Capital Special District
DAGS	Department of Accounting & General Services	HDCC	Hawaiian Dredging Construction Company
DB	Design-Build	HDOE	Hawai’i Department of Education
DBB	Design-Bid-Build	HDOH	Hawai’i Department of Health
DBE	Disadvantaged Business Enterprise	HDOT	Hawai’i Department of Transportation
DBEDT	Department of Business, Economic Development and Tourism	HDPE	High-density polyethylene
DBOM	Design-Build-Operate-Maintain	HECO	Hawaiian Electric Company
DCAB	Disability and Communication Access Board	HFD	Honolulu Fire Department
DCCC	Design Criteria Conformance Checklists	HHF	Historic Hawai’i Foundation
DCN	Design Change Notice	HHPRB	Hawai’i Historic Places Review Board
DDC	Department of Design and Construction	HIE	Hawaii Independent Energy
DES	Department of Environmental Services	HP	Historic Preservation
DFIM	Design Furnish Install Maintain	HPC	Historic Preservation Committee
DFM	Department of Facility Maintenance	HPCA	Historic Preservation Certification Application
DHHL	Department of Hawaiian Homelands	HPD	Honolulu Police Department
DHR	Department of Human Resources	HPF	Historic Preservation Fund

HRHP	Hawai'i Register of Historic Places	PAIS	Programmatic Agreement Implementation Schedule
HRI	Hitachi Rail Italy	PARs	Preventative Actions
H RTP	Honolulu Rail Transit Project	PB	Parsons Brinckerhoff, Inc.
HTI	Hawaiian Telcom	PE	Preliminary Engineering
HTL	Hazard Tracking Log	PGC	Pacific Guardian Center
HVAC	Heating, Ventilation and Air Conditioning	PHA	Preliminary Hazard Analysis
I&T	Inspection & Testing	PICM	Project Interface Control Manual
IAMR	Interstate Access Modification Report	PIG	Permitted Interaction Group
ICCS	Integrated Communications Control System	PIM	Project Interface Manager
ICD	Interface Control Documents	PLA	Project Labor Agreement
ICE	Independent Cost Estimate	PLO	Priority-Listed Offerors
ICM	Interface Control Manual	PM	Project Managers
ICWG	Interim Certification Working Group	PMC	Project Management Consultant
IDS	Intrusion Detection System	PMIM	Project Management and Interface Management
IFB	Issued for Bid	PMOC	Project Management Oversight Contractor
IFC	Issued for Construction	PMSC	Program Management Support Consultant
IJ	Insulation Joint	PPE	Personal Protective Equipment
INMS	Integrated Network Management System	PSG	Platform Screen Gate
IP	Implementing Procedures	PSGS	Platform Screen Gate System
ITP	Inspection and Test Plan	PUP	Property Utilization Plan
ITS	Intelligent Transportation Systems	PV	Passenger Vehicle
JTMS	Joint Traffic Management System	QA	Quality Assurance
JU&O	Joint Use & Occupancy	QAM	Quality Assurance Manager
JUOA	Joint Use and Occupancy Agreement	QAP	Quality Assurance Plan
KCDD	Kaka'ako Community Development District	QC	Quality Control
KCH	Kanehili Cultural Hui	QMP	Quality Management Plan
KHG	Kamehameha Highway Guideway	QMS	Quality Management System
KHSG	Kamehameha Highway Station Group	QTF	Quality Task Force
KIWC	Kiewit Infrastructure West Company	R&R	Revise & Re-submit
KKJV	Kiewit/Kobayashi Joint Venture	RAC	Rail Activation Committee
LCC	Leeward Community College	RAMP	Real Estate Acquisition and Relocation Management Plan
LEED	Leadership in Energy and Environmental Design	RCMP	Risk and Contingency Management Plan
LPR	License Plate Reader	RCP	Reinforced Concrete Pipe
LRV	Light Rail Vehicle	RE	Resident Engineer
MIM	Manufacture-Install-Maintain	READ	Real Estate Acquisition Database
MMIS	Maintenance Management Information System	RFC	Request for Change
MMP	Mitigation Monitoring Program	RFI	Request for Information
MOT	Maintenance of Traffic	RFID	Requests for Interface Data
MOU	Memorandum of Understanding	RFMP	Rail Fleet Management Plan
MOW	Maintenance of Way	RFP	Request for Proposals
MPS	Master Project Schedule	RFQ	Request for Qualifications
MPSS	Master Project Schedule Summary	ROC	Rail Operations Center
MPV	Multiple Purpose Vehicle	ROD	Record of Decision
MS4	Municipal Separate Storm Sewer System	ROE	Right of Entry
MSE	Mechanically Stabilized Earth	ROW	Right-of-Way
MSF	Maintenance and Storage Facility	RR	Risk Register
MTM	Modern Track Machineries	RSD	Revenue Service Date
NCE	Non-Conformance Evaluation	RTM	Requirements Traceability Matrix
NCR	Non-Conformance Report	RTSA	Regional Transit Stabilization Agreement
NDC	Notice of Design Change	S1	Segment 1
NEPA	National Environmental Policy Act	SAIS	Supplemental Archaeological Inventory Survey
NHL	National Historic Landmark	SCADA	Supervisory Control and Data Acquisition
NOI	Notice of Intent	SCAP	Stream Channel Alteration Permit
NPDES	National Pollutant Discharge Elimination System	SCC	Standard Cost Category
NPS	National Park Service	SHPD	State Historic Preservation Division
NR	National Register	SIC	Sandwich Isle Communications
NRHP	National Register of Historic Places	SIT	System Integration Testing
NSM	Negotiation Strategy Memo	SLAN	Station Local Area Network
NTP	Notice to Proceed	SOG	Slab on Grade
NTS	Network Time Server	SOI	Secretary of the Interior
O&M	Operations and Maintenance	SOW	Scope of Work
OCC	Operations Control Center	SP	Special Provisions
OCIP	Owner-Controlled Insurance Program	SQP	Supplemental Quality Plan
OIBC	O'ahu Island Burial Council	SSC	Safety Security Certification
OIL	Open Items List	SSCP	Safety and Security Certification Plan
OMPO	Oahu Metropolitan Planning Organization	SSCWG	Safety and Security Certification Working Group
ORCC	Operational Readiness Conformance Checklists	SSI	Sensitive Security Information
OSB	Operations and Servicing Building	SSMP	Safety and Security Management Plan
OSHA	Occupational Safety and Health Administration	SSRC	Safety and Security Review Committee
OTS	O'ahu Transit Services	SSSP	Site Safety Security Plan
OTW	Oceanic Time Warner	STCC	Specification/Testing Conform Checklists
OTWC	Oceanic Time Warner Cable	SWPPP	Storm Water Pollution Prevention Plan
P3	Public-private partnership	T&M	Time and Material
PA	Programmatic Agreement	TCCR	Train Control and Communications Room

TCP	Traffic Control Plan	USDOT	U.S. Department of Transportation
TCS	Train Control System	VE	Value Engineering
TES	Traction Electrification System	VRCS	Voice Radio Communication System
TIGER	Transportation Investment Generating Economic Recovery	VRF	Variable Refrigerant Flow
TOC	The Outdoor Circle	WA	Work Area
TOD	Transit-Oriented Development	WHS	Waipahu High School
TPO	Thermoplastic Olefin	WL	West Loch
TPSS	Traction Power Sub-Station	WOEDA	West Oahu Economic Development Association
TSA	Transportation Security Administration	WOFH	West O'ahu/Farrington Highway
TSI	Transportation Safety Institute	WOSG	West O'ahu Station Group
TVA	Threat & Vulnerability Assessments	WSS	West Side Stations
TVM	Ticket Vending Machine	WSSG	West Side Station Group
TWF	Train Wash Facility	WTB	Wheel Truing Building
UCA	Utility Construction Agreement	WYL	West Yard Lead
UFRCRA	Utility Facilities Relocation and Cost Reimbursement Agreement	YCB	Yard Control Bungalow
UH	University of Hawai'i	YOE	Year of Expenditure
UHWO	University of Hawai'i West O'ahu		
UL	Underwriters Laboratories		
UPS	Uninterrupted Power Supply		
USACE	U.S. Army Corps of Engineers		

PROJECT MAP



PROGRESS REPORT SUMMARY OF CHANGES

The following is a brief summary of changes that have occurred from the previous month's report. For more information and detail, please refer to the respective pages in the report.

Project Contingency

- The current contingency balance has increased. Please see pages 16-17.

Project Funding

- The General Excise Tax (GET) amount received has increased. Please see pages 18-19.
- The Section 5309 New Starts Revenue amount received has increased. Please see pages 18-19.
- The total amount of cash received has increased. Please see pages 18-19.

Schedule

- The Full Revenue Service Date has shifted to a later date. Please see pages 21-23.
- Based on the uncertainty related to the GET extension and availability of funds during the month of December, the City Center Guideway and Stations project's request for proposal was postponed at least one month until early February. This action, along with the transfer of scope from the Dillingham Blvd. Utilities Contract (due to cancellation) and new scope mandated by the 138 kV circuits undergrounding going into the CCGS contract, there will be a direct effect on the RSD forecast which will push into 2022. HART will attempt to mitigate this delay through future mitigation measures taken with the CCGS contractor and/or the Core Systems Contractor. Please see page 21.
- The Master Project Schedule Summary will now reflect the new contract packaging plan forecasts. Please see pages 21-23.

Contracts in Procurement

- HART awarded the Independent Financial Auditor "II" Contract. Please see page 26.
- The deadline has been extended for the priority listed offerors to submit their proposals for the Airport Guideway and Stations Design-Build RFP. Please see page 26.

Contract Status

- Core Systems Contract
 - The current contract value has increased. Please see page 27.
- West O'ahu Farrington Highway Guideway (WOFH)
 - The projected substantial completion date has shifted to a later date. Please see page 34.
 - The current contract value has increased. Please see page 34.
 - The percentage complete has been adjusted. Please see page 34.
 - The Earned Value percentage decreased due to the total contract, including executed change orders, amount increasing. Please see page 35.
- Maintenance and Storage Facility (MSF)
 - The current contract value has increased. Please see page 42.
- Airport Section Utilities
 - The contract substantial completion date has shifted to a later date. Please see pages 56-57.
 - The original contract and current contract values have been corrected. Please see page 56.

- Airport Section Guideway Seven Pier Construction
 - The current contract value has decreased. Please see page 58.
- Airport Station Group
 - The schedule has been removed from the contract page, as station construction will be under the Airport Guideway and Stations contract scope. Please see page 61.
- Dillingham and Kaka'ako Station Group
 - The percent complete has been adjusted. Please see page 64.
 - The schedule has been removed from the contract page, as station construction will be under the City Center Guideway and Stations contract scope. Please see page 65.

Risk Management

- The total number of risks in the risk register has decreased. Please see pages 85, 96-99, and 125.

Community Outreach

- The amount of presentations, events, and Neighborhood Board meetings have been differentiated between those which occurred before the formation of the transit authority and those since its formation. Please see page 99.

Staffing

- The actual number of employees has decreased. Please see page 102.

Appendix D. Procurement and Contract Status

- The contract substantial completion date for Airport Section Utilities Construction has shifted to a later date due to a change order. Please see page 119.
- The 'Dillingham Utilities and Roadway' procurement has been removed and replaced with the following: The work contemplated under Dillingham Utilities and Roadway will be provided in separate parts by the City Center Guideway and Stations contractor and the On-Call Construction contractor. The On-Call Construction contractor will do the preparatory work required for utilities relocation as right-of-way becomes available, and the City Center Guideway and Stations contractor will construct the remaining utility relocations and roadway work as a part of its design-build contract. Please see page 120.
- The On-Call Construction Contract "III," and Complex Real Property Negotiations and Litigation Support Contract have been added to the Remaining Contracts table. Please see page 120.
- The dates listed for the "RFP Part 2 Proposals Due" and "Issue NTP" columns have been updated for the Airport Guideway and Stations, City Center Guideway and Stations, Fare Systems Contract and Independent Financial Auditor "II" Contract. Please see page 120.

1 EXECUTIVE SUMMARY

KEY ACTIVITIES THIS MONTH

Project Overview

In February, the Honolulu Authority for Rapid Transportation (HART) held a ground breaking ceremony in Waipahu to signal the commencement of construction on West Loch Station and Waipahu Transit Center Station – the first two rail stations that will be built for the project.

Mayor Signs Rail Tax Extension

Mayor Kirk Caldwell signed Bill 23 – which extends the half-percent rail tax for an additional five years – into law on Feb. 1, 2016.

The Mayor’s signature follows the Honolulu City Council’s approval of the extension in January 2016.

The general excise tax surcharge will now be collected through the end of 2027 and will allow HART to complete construction of the rail transit project.



Cost:

Project Costs Summary Through Jan. 29, 2016		
	Current Budget (\$M)	Incurred To Date (\$M)
Project Budget	\$4,461.2	\$1,920.2
Project Contingency	\$487.4	\$0.6
Finance Charges*	\$173.1	\$0.0
TOTAL	\$5,121.7	\$1,920.8
* \$173.1 million represents the project debt financing costs that are federally eligible. The total estimated debt financing costs of the project is \$215 million, per the FFGA Financial Plan.		

Schedule:

Project Progress* Through Jan. 29, 2016				
	Actual		Early Plan	Late Plan
Overall Project Progress	43.7%		74.3%	67.1%
Overall Construction Progress	35.8%		68.4%	59.9%
Overall Design Progress	88.2%		99.8%	99.3%
Overall Utilities Progress	41.1%		92.2%	87.8%
*All progress charts reflect early program expectations regarding the type of contract, timing of award, design, and execution of the nine western stations, eastern guideway and stations, and utilities work. These contracts have been repackaged and rescheduled to later dates and once the overall schedule is rebaselined, the cost curves will be revised to reflect the contract approved dates at that time. With the City Council decision on Jan. 27, 2016 and the Mayor’s signature on Feb. 1, 2016, HART will revise these charts to reflect the new budget and schedules.				

Overview:Core Systems Contract (CSC)

The CSC contractor (AHJV) is continuing to progress through Final Design. Qualification and design verification tests are ongoing. Construction interface with the MSF contractor (KKJV) is ongoing. AHJV completed construction of the Yard Control Bungalow (YCB) and is starting to install and test equipment. AHJV continues to install fire detection equipment at the MSF Operations and Servicing Building (OSB) and the Maintenance of Way (MOW) building. AHJV continues to pull Communications cables in the MSF OSB and MOW buildings. MOW vehicles have been delivered and are being tested at the MSF. Final Assembly activities are ongoing for the first four passenger cars. (See Section 4.1.A for details)

Elevators and Escalators Manufacture-Install-Maintain Contract

The Elevator/Escalator contractor has completed final design for the WOSG, FHSG and KHSG stations. The contractors for FHSG, WOSG and KHSG must provide an acceptable schedule in order for the manufacturing of the equipment to be released. (See Section 4.1.B for details)

West O'ahu Farrington Highway (WOFH) Contract

The most recent progress schedule, through December 2015, reflects more than six month delay to the contractual substantial completion date specific to the LCC portables, parking lot, and access structure construction work activities. This schedule has not yet been accepted by HART and is under review. HART continues to monitor KIWC production rates as it relates to potential schedule impacts, and both parties continue to work together to mitigate the impacts to the critical path activities associated with the LCC construction work. A revised baseline schedule was submitted via a contract Request for Change (RFC) by KIWC in August 2015 and is under review. (See Section 4.2.A for details)

Maintenance and Storage Facility (MSF) Contract

Preparation for rail passenger car delivery, anticipated in March 2016, continues. CSC has taken over care, custody and control of Phases 2, 3 and 4 yard track areas. Coordination is ongoing with the abutting WOFH mainline contractor for completion of site access in the east and west yards, including rail, vehicular access, and utility connections. Startup testing of the HVAC system is complete in the Operations and Servicing Building (OSB) and Maintenance of Way (MOW); conditioned spaces have been achieved. Grading and paving continue for portions of Driveway 'A', 'B' and 'C.' Building finishes and mechanical, electrical and plumbing installations continue for all the buildings. Installation of roofing and Direct Fixation Track installation continues for the Train Wash Facility (TWF). Installation of rail continues for the ready tracks north of the TWF. (See Section 4.2.D for details)

Kamehameha Highway Guideway (KHG) Contract

Per KIWC's progress schedule, as submitted with the application for payment, the contract is twelve months behind schedule. KIWC submitted a revised baseline schedule which is progressed monthly and submitted with the progress payment in accordance with the KHG contractual requirement. The most recent progress schedule, through December 2015, reflects more than 12 months delay to the contractual substantial completion, with the guideway structure completion in April 2017 and the remaining roadway civil work being completed by September 2017. This schedule has not yet been accepted by HART and is under review. HART continues to monitor KIWC production rates as it relates to potential schedule impacts and both parties continue to work together to mitigate the impacts to the critical path activities. A revised baseline schedule was submitted via a contract Request for Change (RFC) by KIWC in September 2015 and is under review. (See Section 4.3.A for details)

Airport Section Utilities (ASU) Construction Contract

The Airport Section Utilities contract continues to be impacted by differing and unforeseen site conditions. In spite of these impediments, work is proceeding along Kamehameha Highway, Airport and the Nimitz Off-Ramp area. Probing along the proposed shaft locations has been conducted incidental to removing abandoned utilities which has resulted in the discovery of additional conflicts. Those unforeseen wet and dry utilities that have been encountered along Kamehameha Highway, which will directly impact the follow on guideway contract, are being mitigated; RFI's have been prepared and answered and Requests for Proposals have been generated, necessary change orders and/or directives are being prepared or issued which will mitigate these conflicts. Nan continues to progress on utility relocation along Kamehameha Highway. (See Section 4.4.B for details)

Board Meeting Q&A:

Listed below are questions raised by community members at the February 18, 2016 HART Board meeting:

- **Question:** Can HART separate the total number of presentations, events and Neighborhood Board meetings in which the rail project's outreach team has participated between those which occurred before the formation of the transit authority and those since its formation?

Answer: Yes, HART will differentiate between the two. Please see Section 6.7 for the separation of these categories.

- **Question:** Why is the Chief Financial Officer (CFO) position open only to City employees?

Answer: The Chief Financial Officer position is not open to only City employees, but is open to all persons who meet the qualifications for the position. HART's Chief Financial Officer, once hired, will be an employee of the City and County of Honolulu, or a City employee.

- **Question:** Can the data dates for the information in the Monthly Progress Report end on the last day of the month?

Answer: The majority of the information in the Monthly Progress Report is as of the end of the current month. However, some information, such as cost, schedule, right-of-way, and safety and security have differing data dates due to their respective reporting cycles. Areas in the report which have a data date differing from the end of the current month are notated with their respective data dates.

- **Question:** Why is the physical construction completion always greater than the billed to date amount?

Answer: Physical completion is calculated by actual construction placement in the field at the time of the survey, while billed to date amounts are calculated percentages of work done in arrears. As the contractor bills for work completed for the past month, and on-site construction has already progressed, there is 1 to 2 months of work difference between the two calculations, with billed amounts always lagging behind actual, physical construction.

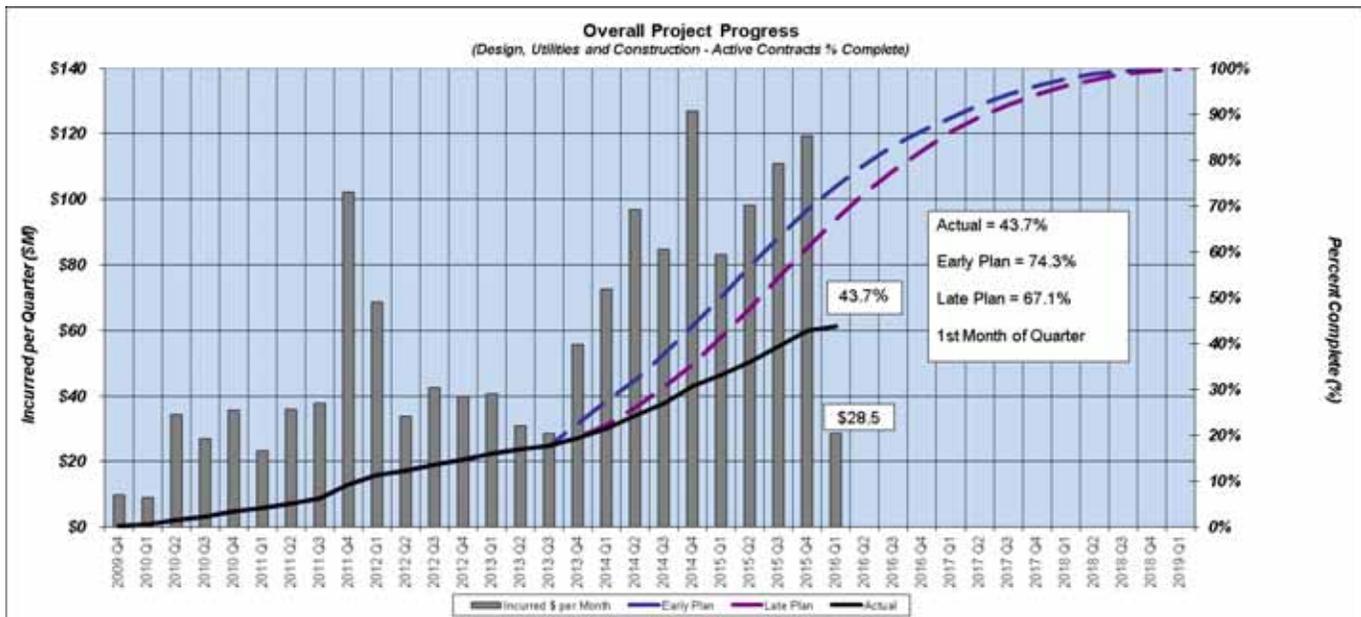
2 OVERALL PROJECT PROGRESS AND FINANCIALS

2.1 Project Progress (data as of Jan. 29, 2016)

All progress charts reflect early program expectations regarding the type of contract, timing of award, design, and execution of the nine western stations, eastern guideway and stations, and utilities work. These contracts have been repackaged and rescheduled to later dates and once the overall schedule is rebaselined, the cost curves will be revised to reflect the contract approved dates at that time. With the City Council decision on Jan. 27, 2016 and the Mayor’s signature on Feb. 1, 2016, HART will revise these charts to reflect the new budget and schedules.

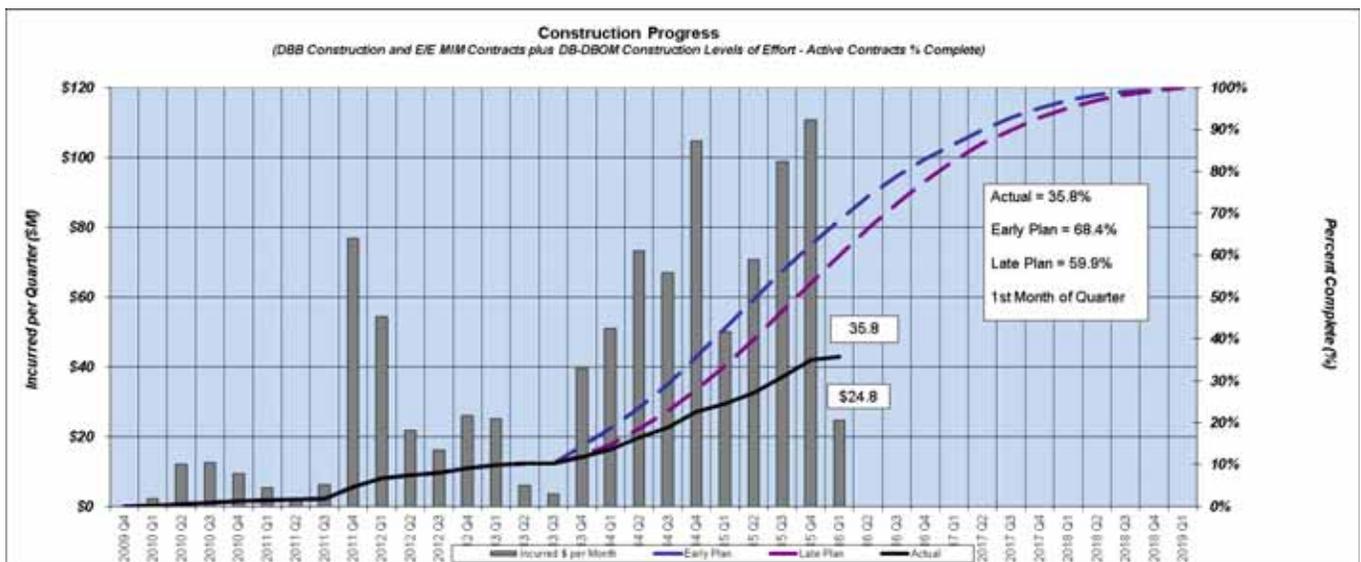
- Note:
- Actual = Actual cost of work performed, based on invoiced-to-date amount.
 - Early Plan = Earliest dates activities can begin and finish, based on logic and durations used in the schedule.
 - Late Plan = Latest dates activities can begin and finish and not have an impact on completion date, based on logic and durations used in the schedule.

Figure 1. Overall Project Progress (% Complete)



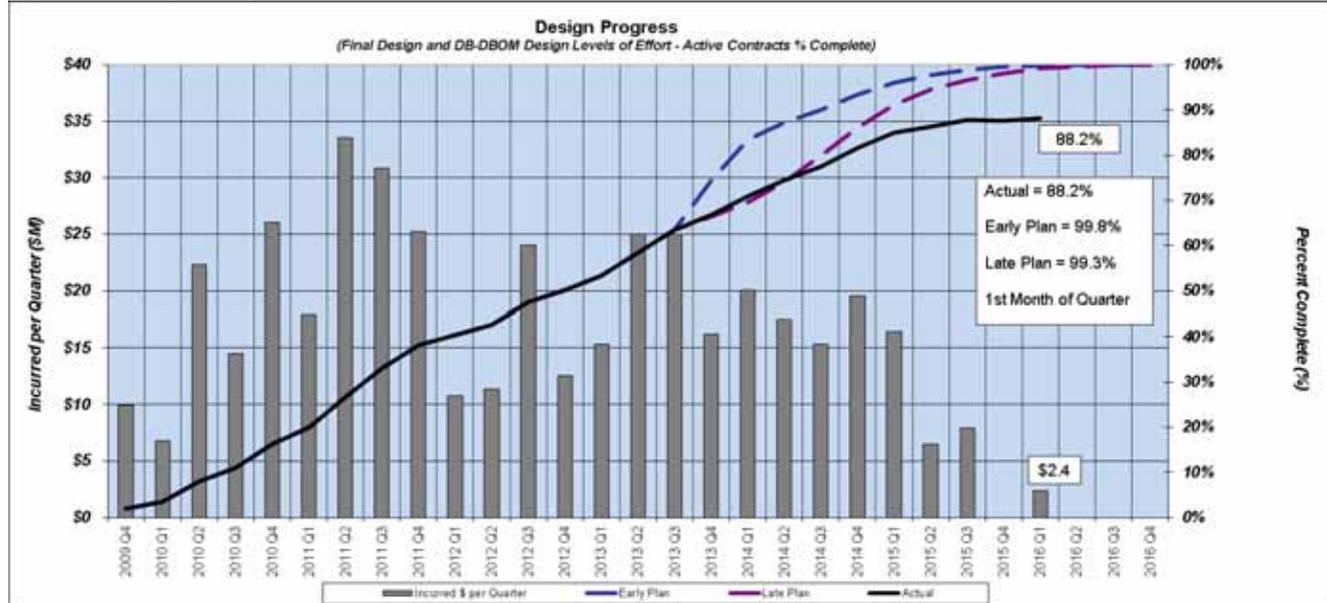
At present “overall” project progress is based on the weighted value progress of the individual construction and design contracts (Design-Build [DB], Design-Bid-Build [DBB], Design-Build-Operate-Maintain [DBOM], Elevator/Escalator Manufacture-Install-Test-Maintain [MIM], Final Design [FD] and DB-DBOM design levels of effort), not including City or non-design consultant labor. Overall Project Progress reflects all project elements as budgeted.

Figure 2. Construction Progress (% Complete)



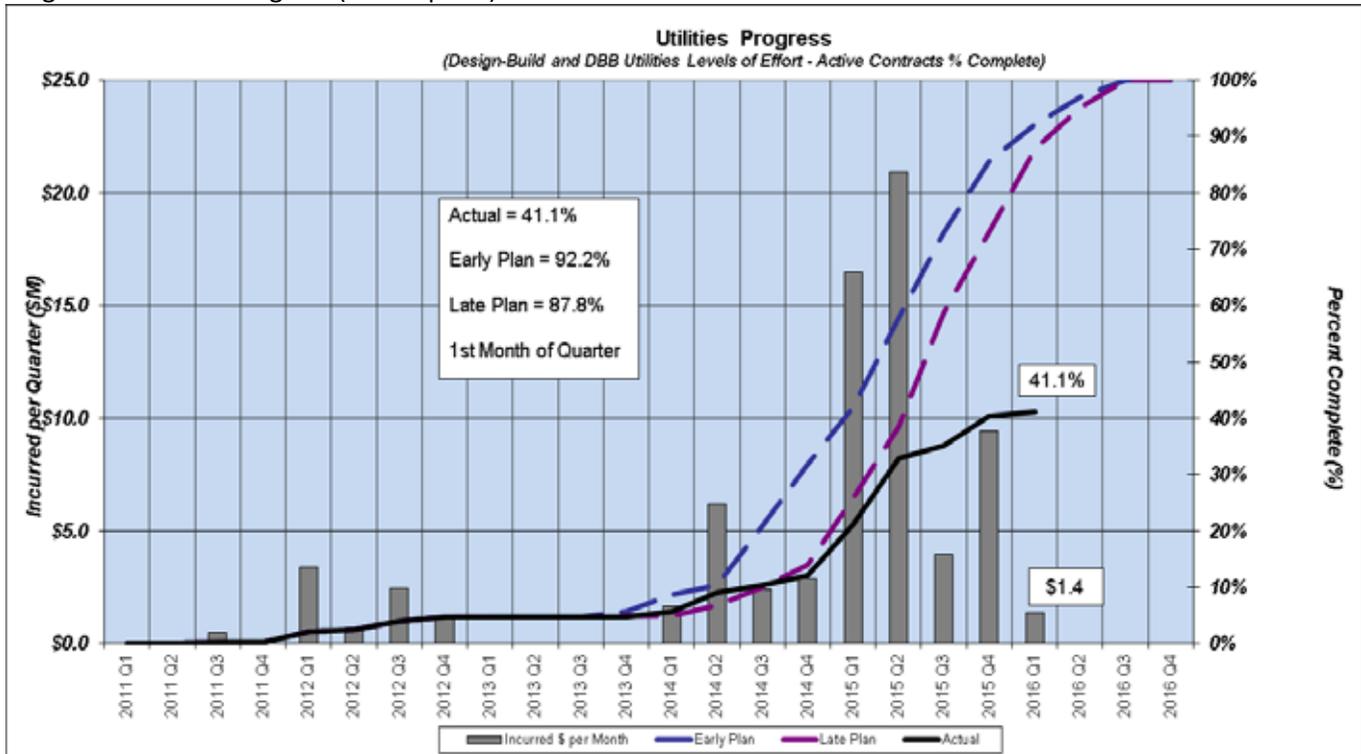
Overall construction progress is based on the weighted average progress of the individual DBB and E/E MIM construction contracts and the DB-DBOM construction levels of effort, not including consultant construction engineering and inspection (CE&I) services.

Figure 3. Design Progress (% Complete)



Overall design progress is based on the weighted average progress of the individual FD contracts and the design levels of effort of the DB and DBOM construction contracts, not including City or non-design consultant labor.

Figure 4. Utilities Progress (% Complete)



Overall utilities progress is based on the weighted average progress of the DB and DBB utilities levels of effort.

2.2 Project Budget (data as of Jan. 29, 2016)

- FFGA Project Budget = **\$5,121.7M**
 - Current Project Budget - \$4,461.2M
 - Current Project Contingency - \$487.4M
 - Project Finance Charges - \$173.1M

- Total Incurred Cost = **\$1,920.8M** (43.1% of current project budget)
 - January 2016 Incurred Cost = \$36.9M

*Total Incurred Cost = \$1,920.8M
(previous report = \$1,883.9M)*

2.3 Project Contingency (data as of Jan. 29, 2016)

Note: Contingency management and cost contingency details, including a breakdown of Project contingency drawdowns, are discussed in further detail in Appendix B.

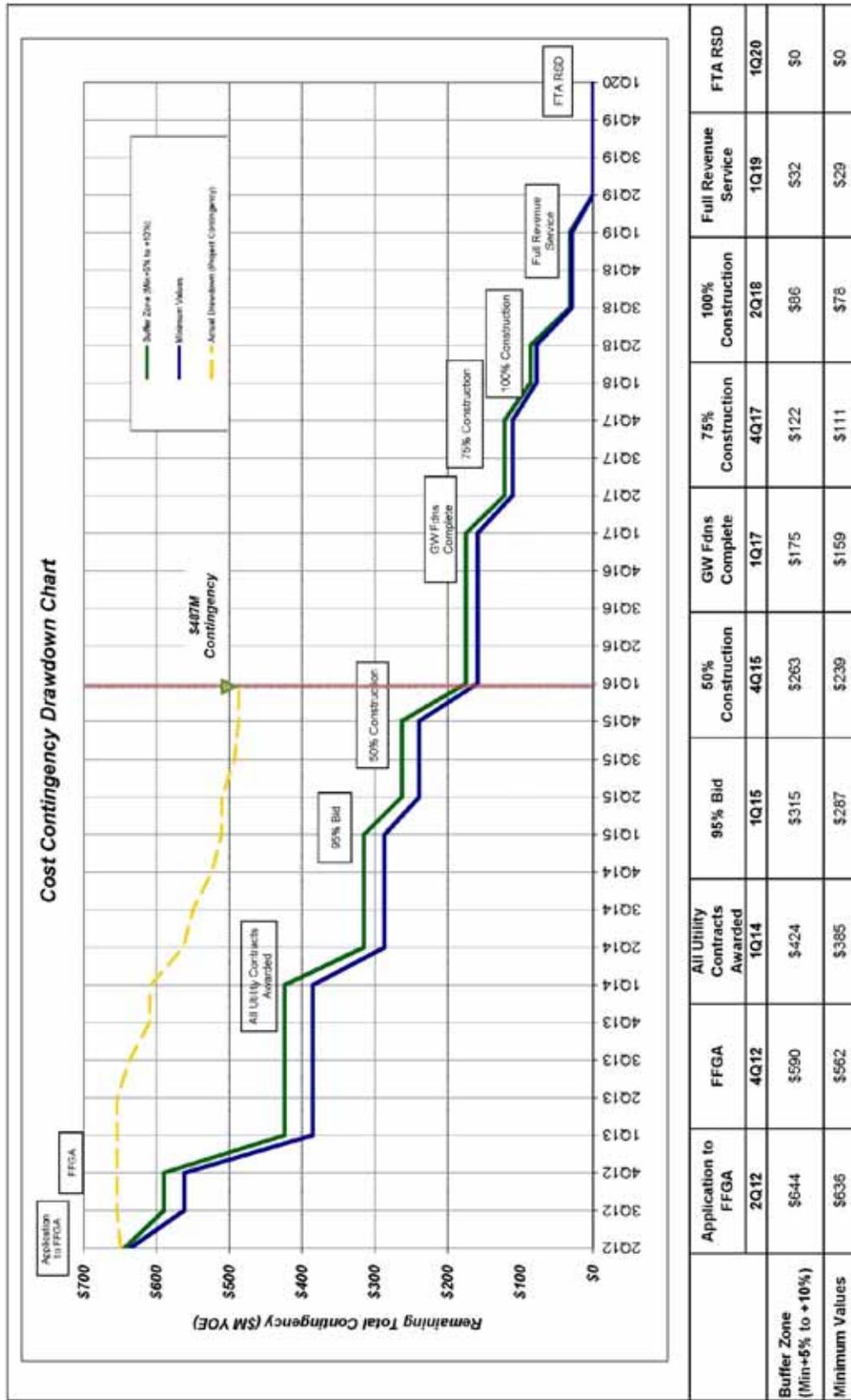
- Current Project Contingency Balance = **\$487.4M**
 - Contingency drawdown to date – \$156.2M (24.3% of baseline project contingency budget)
 - \$0.1M contingency credit during January 2016. Please see Appendix B for more details.

*Current Contingency Balance = \$487.4M
(previous report = \$487.3M)*

Figure 5. Project Contingency Budget

Project Contingency Budget		
Contingency	SCC Code	Budget (\$M)
Unallocated Contingency	90.01	\$101.9
Allocated Contingency	90.02	\$540.1
Allowances	90.03	\$1.6
Baseline FFGA Project Contingency Budget	90.01 - 90.03	\$643.6
Contingency drawdown through November 2015 Report	90.01 - 90.03	(\$154.6)
Contingency drawdown December 2015 Report	90.01 - 90.03	(\$0.8)
Contingency drawdown January 2016 Report	90.01 - 90.03	(\$0.9)
Contingency drawdown February 2016 Report	90.01 - 90.03	\$0.1
Contingency drawdown to date	90.01 - 90.03	(\$156.2)
Current FFGA Project Contingency	90.01 - 90.03	\$487.4

Figure 6. Draft Cost Contingency Drawdown Chart



Data as of 1/29/16 - Jan '16 Reporting Period

Note: Contingency management and cost contingency details, including a breakdown of Project contingency drawdowns, are discussed in further detail in Appendix B.

2.4 Project Funding (data as of Jan. 29, 2016)

Figure 7. Planned vs. Received Project Funding

Planned vs. Received Project Funding				
Funding Source	Pre-FFGA Project ¹	FFGA Project Period		Total Project
	2007 - 2009 Actuals Received	Planned ² (\$YOE M)	2009 - Present Actuals Received	2007 - Present Actuals Received
	[A]		[B]	[C] = A + B
Beginning Project Cash Balance ³	0	298	298	n/a
Interest Income on Cash Balance	7	3	2	9
FTA Section 5309 New Starts Revenue ⁴	0	1,550	503	503
FTA Section 5307 Formula Funds ⁵	0	210	0	0
ARRA Funds	0	4	4	4
Net General Excise Tax (GET) Surcharge revenues FY2010-FY2022 ⁵	378	3,291	1259	1,637
Total	385	5,356	2,066	2,153

¹ GET and Interest Income received during Pre-Preliminary Engineering (pre-PE) phase prior to entry into PE

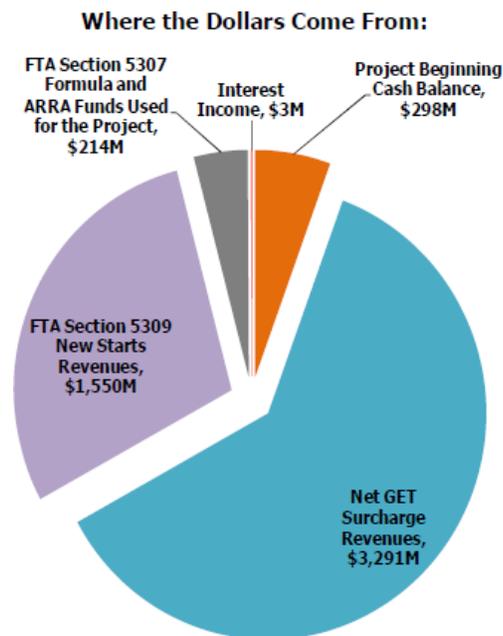
² FFGA Financial Plan, Table A-1 *Capital Plan Cash Flows*.

³ Beginning Project Cash Balance at Entry into Preliminary Engineering (PE) on October 16, 2009 (the FFGA Project start date) = Pre-PE GET,

⁴ New Starts Funds Obligated Through Federal Fiscal Year 2014 Totals \$806.3 Million

⁵ On January 27, 2016 the City Council of Honolulu passed Bill 23 which extended the GET surcharge to December 31, 2027. The Planned amounts for funding will be adjusted in a future Monthly Progress Report to reflect the extension of the GET surcharge.

Figure 8. Project Funding Sources (YOE \$M)



Source: FFGA Financial Plan, p. 2-1

- General Excise Tax (GET) Surcharge (data as of Jan. 29, 2016)
 - \$1,259M = amount received since the Project’s entry into FTA’s Preliminary Engineering phase of project development.
 - \$1,299M = Projected Net GET Surcharge Revenue for FYs 2010-3Q 2016, as stated in FFGA Financial Plan (Table A-1 *Capital Plan Cash Flows*)
 - GET receipts are currently running 3% short of Projections to date, or \$40M behind.
 - \$51M = GET surcharge received in January 2016.

- Full Funding Grant Agreement (FFGA)
 - \$13.6M = New Starts drawdown processed and received in January 2016.

- The \$5307 funds for the Project, per the Financial Plan, are \$210M.

- HART presented the status of the program budget and schedule to the Board of Directors at the October and November monthly meetings. Forecasts indicated an increase to project costs and a completion in 2021. The financial plan is currently being updated.

Total Cash Received Since PE = \$2,066M
(previous report = \$2,001M)

GET Received Since PE = \$1,259M
(previous report = \$1,208M)

GET Received Since 2007 = \$1,637M
(previous report = \$1,586M)

Figure 9. New Starts Drawdown by Federal Fiscal Year (data date as of Jan. 29, 2016)

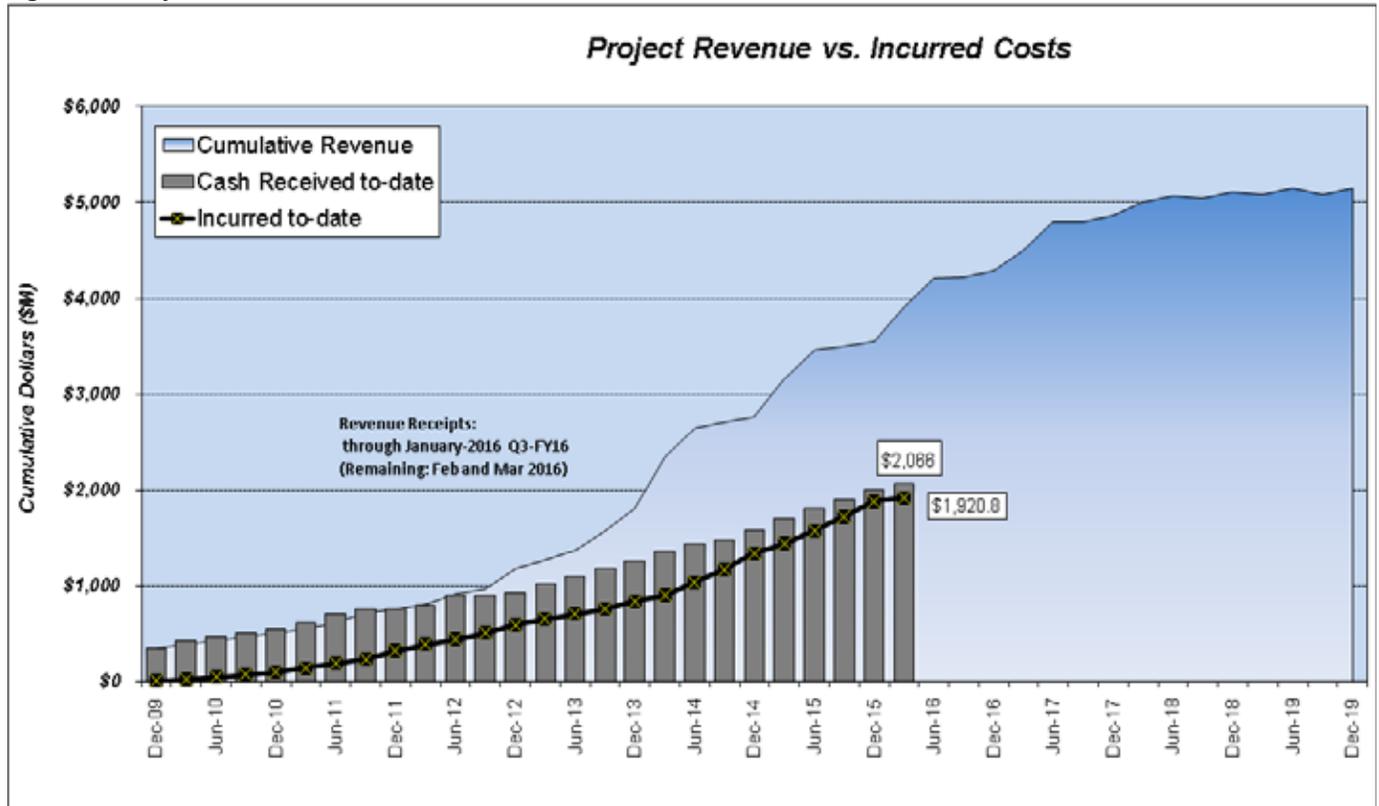
1/29/2016 BALANCES				
New Starts Grant Information by Federal Fiscal Year (Amounts in italics are pending)				
Federal Fiscal Year Allocation	FTA Obligated Amounts	Actual Drawdown Amounts to Date	Available Balance	FFGA Base Case Cash flow
2008	\$15,190,000	\$15,190,000	\$0	
2009	\$19,800,000	\$19,800,000	\$0	
2010	\$30,000,000	\$30,000,000	\$0	
2011	\$55,000,000	\$55,000,000	\$0	\$20,607,242
2012	\$200,000,000	\$200,000,000	\$0	\$99,382,758
2013	\$236,277,358	\$182,854,811	\$53,422,547	\$258,280,277
2014	\$250,000,000	\$0	\$250,000,000	\$441,719,724
<i>2015 (pending award of grant)</i>	<i>\$250,000,000</i>	\$0	<i>\$250,000,000</i>	\$250,000,000
<i>2016 (pending appropriation and award of grant)</i>	<i>\$250,000,000</i>	\$0	<i>\$250,000,000</i>	\$250,000,000
<i>2017 (pending appropriation and award of grant)</i>	<i>\$243,732,642</i>	\$0	<i>\$243,732,642</i>	\$230,010,000
Total	\$1,550,000,000	\$502,844,811	\$1,047,155,189	\$1,550,000,000

2.5 Project Revenue and Costs

(data as of Jan. 29, 2016)

Ending Cash Balance 1/31/16 = \$215.0M
(previous report = \$198.1M)

Figure 10. Project Revenue versus Incurred Costs



Planned Funding levels as per the June 2012 FFGA Finance Plan
Data date for Revenue & Incurred Cost = Jan. 29, 2016

Figure 11. Cash Balance Summary

JANUARY 2016 CASH BALANCE SUMMARY		
	JANUARY	FY16 YTD Cumulative
Beginning Cash Balance 12/01/15	198,109,931	293,010,823
Expenditures:		
Operating Expenditures	(1,328,994)	(9,195,124)
Capital Expenditures	(46,718,199)	(328,902,672)
Expenditures Total:	(48,047,193)	(338,097,796)
Receipts:		
GET Surcharge	51,223,701	168,374,947
FTA Drawdown	13,562,958	91,338,180
Interest	13,687	128,733
Other (rental, refunds, copy fees, etc.)	166,734	274,931
Receipts Total:	64,967,080	260,116,791
Ending Cash Balance 01/31/16	215,029,818	215,029,818

Note: Project Cost Reports can be found in Appendix C.

3 SCHEDULE

(data as of Jan. 29, 2016)

OVERVIEW

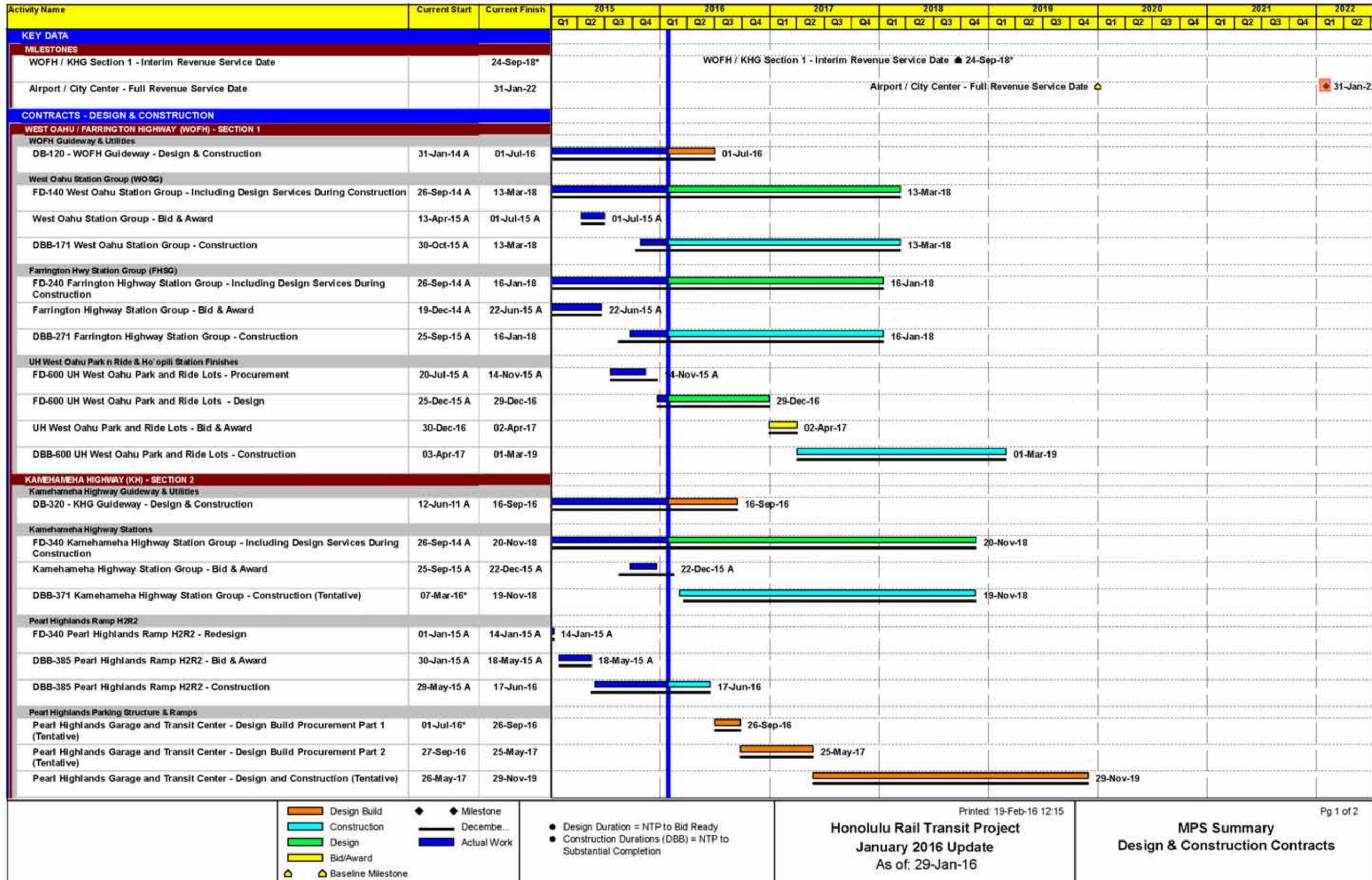
- HART presented the status of the program budget and schedule to the Board of Directors at the October and November monthly meetings. Forecasts indicated an increase to project costs and a completion in 2021. Based on the uncertainty related to the GET extension and availability of funds during the month of December, the City Center Guideway and Stations project's request for proposal was postponed at least one month until early February. This action, along with the transfer of scope from the Dillingham Blvd. Utilities Contract (due to cancellation) and new scope mandated by the 138 kV circuits undergrounding going into the CCGS contract, there will be a direct effect on the RSD forecast which will push into 2022. HART will attempt to mitigate this delay through future mitigation measures taken with the CCGS contractor and/or the Core Systems Contractor.
- The City Council and the Mayor of Honolulu have agreed to extend the GET for five more years. The Master Project Schedule Summary will now reflect the new contract packaging plan forecasts.
- The Master Program Summary Schedule reflects currently approved schedule end dates for contracts that have been awarded, and planned dates for future contracts. The schedules in the Contract Status section (Section 4) reflect current contractor forecast end dates for contracts that have been awarded.
- The Pearl Highlands Garage, Transit Center and Ramp H2R1 Design-Build Contract is being readied for issuance for bid in the second half of 2016. A tentative schedule has now been included in the MPSS. Schedule dates are subject to change.
- Ramp H2R2 (DBB-385), WOSG (DBB-171) and FHSG (DBB-271) contractor schedules will be added to this report as soon as baseline schedules are accepted by HART. Until accepted contractor schedules become available, placeholder schedules spanning the contract dates are displayed in the contract sections of this report.
- HART continues to closely monitor, review and manage all active construction packages. Previously reported delays continue to be addressed by the project teams. See contract pages for further details.

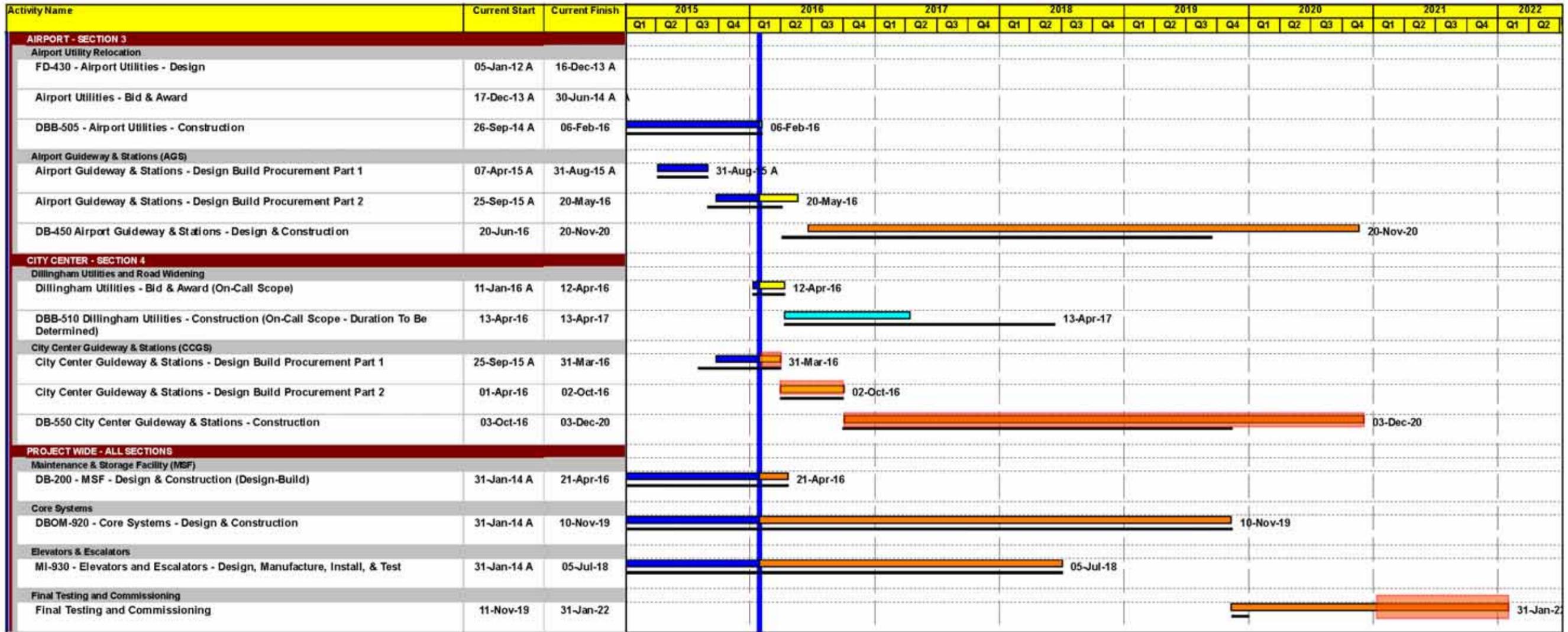
KEY ISSUES

- WOFH construction progress is behind the approved schedule for the LCC station area civil and structural work by approximately 6 months.
- KHG guideway construction progress is behind the approved schedule by approximately twelve months.
- Right-of-way acquisition, third-party interface and utility relocations continue to be areas of concern for program completion.

Figure 12. H RTP Master Project Schedule Summary (MPSS)

The Master Program Summary Schedule reflects currently approved schedule end dates for contracts that have been awarded, and planned dates for future contracts. It is stasured against the FFGA Baseline MPS. Active contracts' end dates will not change, unless a change order is issued. For the contractors' forecasts of active contracts end dates, see Contract Status section (Section 4).





PROGRAM CRITICAL PATH

Design Build	Milestone
Construction	Decembe...
Design	Actual Work
Bid/Award	
Baseline Milestone	

- Design Duration = NTP to Bid Ready
- Construction Durations (DBB) = NTP to Substantial Completion

Honolulu Rail Transit Project
 January 2016 Update
 As of: 29-Jan-16

MPS Summary
 Design & Construction Contracts

Printed: 19-Feb-16 12:15

Pg 2 of 2

4 CONTRACT STATUS

Core Systems Contract (Section 4.1.A)

OVERVIEW

- Vehicle Aluminum Car Shell Manufacturing continues to move forward in Reggio Calabria, Italy. The seventh and eighth car shells have been delivered to the Final Assembly facility.
- Final Assembly of Train 1 is ongoing with the installation of ceiling and side-wall interior panels, door operators, doors, cabling, raceway, underfloor, interior and rooftop equipment.
- Progressing with sub-system testing and design verification activities.
- Yard Control Bungalow construction is complete.
- Traction Power Cable installation continues; termination of traction power cable in the storage area of the MSF Phase 2 is complete. Phase 3 and 4 are ongoing.
- Testing of traction electrification system (TES) cables at the MSF Phase 2 is ongoing.
- MOW vehicle delivery (MPV, MPV Trailer, and Car Mover) – On Feb. 8, 2016, three (3) MOW vehicles were delivered.
- Installation of Train Control devices at the MSF (junction boxes and coupling units) has commenced.

KEY ISSUES

- Revisions to the station and guideway Construction Access Milestone (CAM) dates require coordination for interfacing work.
- Vehicle Production and Testing is an ongoing monitored risk. Final Assembly of the first train is experiencing inefficiencies due to equipment delivery/availability issues. The first two truck frame and bolster assemblies have been delivered to the Final Assembly facility in Pittsburg, CA. The fabrication of the balance of the first Truck Frame and Bolster assemblies continues to be impacted by an extended subcontractor learning curve. AHJV/HRI has stationed truck fabrication experts at the Truck and Bolster fabricator, DRS, to assist with issue resolution. HART and the CSC are addressing existing issues and will continue to work together to identify and respond to issues as they arise.

Fare Collection System (Section 4.1.C)

OVERVIEW

- Fare Systems Technical Consultant Contract awarded to CH2M Hill on Sept. 24, 2015, for a term of five years.
- Proposals for the Fare Systems Contract were received on Nov. 13, 2015 and a Priority Offerors List of the top three Offerors was developed. Clarification discussions took place mid-January 2016. Best and Final Offer (BAFO) documents were issued to Priority-Listed Offerors (PLOs) at the end of January 2016. BAFO submissions were received at the end of February 2016. Award is anticipated in mid-March 2016.

KEY ISSUES

- Completing legal review of Memorandum of Understanding (MOU) for Operations and Maintenance (O&M) cost sharing between HART and the City.
- Determining the best value proposal for HART and the City for the Fare System.

West O'ahu Farrington Highway Guideway (Section 4.2.A)

OVERVIEW

- Leeward Community College (LCC) Portables, Parking Lot and Station Access Structure Change Order – HART and KIWC continue discussions on the scope and costs associated with the construction of the LCC Portables, Parking Lot and Station Access changes. The change order for this work was presented to the Board in February and was approved for processing.
- Balanced Cantilever System (BCS) Form Advancement – BCS construction is progressing and all pier tables are complete. Segment casting and stressing is proceeding in both eastward and westward directions from Pier 256. All segments for Pier Table 253, 254 and 255 have been completed.
- Span by Span Advancement – Heading #2, west of Waipahu High School, Work Area 4, is currently progressing westbound. Eastbound spans have been erected by West Loch Station and are proceeding towards Waipahu Transit Center Station. Span erection and stressing work will be completed on the project by March 2016.

- Construction Completion Milestones – In February, KIWC completed the construction of all drilled shafts, columns, cast all segments in the casting yard, and completed shaft and guideway conflict relocations on the WOFH project. Segment erection, track construction, and third rail work are still ongoing.

KEY ISSUES

- LCC Portables, Parking Lot and Station Access Structure Change Order (for additional detail, see 4.2.A Key Issues)
- Construction Production/Baseline Schedule (for additional detail, see 4.2.A Key Issues)
- Night Noise Variance (for additional detail, see 4.2.A Key Issues)
- HDOT Roadway Restoration Issues (for additional detail, see 4.2.A Key Issues)
- Intersection Closure for Span by Span (for additional detail, see 4.2.A Key Issues)
- Closeout and Coordination (for additional detail, see 4.2.A Key Issues)

Maintenance and Storage Facility (Section 4.2.D)

OVERVIEW

- Turnover of care, custody, and control of track areas designated as Phases 2, 3 and 4 have been given to CSC.
- HVAC startup is complete in the OSB and MOW. Mechanical and electrical installations as well as building finishes continue.
- Roofing completed for the Train Wash Facility (TWF). Installation of Direct Fixation Track within the building is underway.
- Traction power, signal, and train control conduit installation continues in the yard.
- Installation of rail is continuing for the tracks north of the Train Wash Facility and the East Yard Lead and West Yard Lead tracks.
- Storage and Maintenance Tracks have been inspected and released to CSC for Train Control and Traction Power.

KEY ISSUES

- Coordination with the abutting WOFH main line contract for completion of site access in the east and west yards, including rail, vehicular access and utility interconnection.
- Preparation for the receipt of rail car delivery is underway, including completion of an unloading area on the maintenance track adjacent to the OSB.
- Provision of a suitable work area for assembly of the train sets following site delivery.
- Establish telephone service, as necessary, for building occupancy (elevator and fire alarm).

Kamehameha Highway Guideway (Section 4.3.A)

OVERVIEW

- Construction of Drilled Shafts – KIWC currently has 4 drill spreads working on the alignment. Approximately 64% of the KHG shafts have been completed.
- Utility Relocation – Relocation of utility pole 51 at TMK 9-8-008-029 is pending finalization of the ROE with the property owners and utility companies.
- HDOT requested work – KIWC has been issued RFCRs to incorporate HDOT's requested work into the design and construction. HART has received the cost proposal for RFCR 30 (Replace CMP with RCP), has finalized the ICE, received HDOT concurrence, and is preparing for negotiation. The remainder of the HDOT additional work requests are still pending receipt of cost proposals from KIWC.
- Balanced Cantilever System (BCS) – KIWC completed the Column 307 pier table bottom slab. Column 306 has completed stem walls, diaphragms, and top deck placed and transversely post-tensioned. Column 308 has begun construction.
- Span-by-span – KIWC continues Heading 3 span-by-span erection from the west end of the project limits and has passed Acacia Road.

KEY ISSUES

- Night Noise Variance (for additional detail, see 4.3.A Key Issues)
- HDOT requested work (for additional detail, see 4.3.A Key Issues)
- Third Party Utility Impacts (for additional detail, see 4.3.A Key Issues)
- KIWC Resource Allocations (for additional detail, see 4.3.A Key Issues)
- Kohomua Septic Tank (for additional detail, see 4.3.A Key Issues)

Airport Section Utilities (ASU) (Section 4.4.B)OVERVIEW

- The contractual Substantial Completion date has been extended to March 7, 2016. There will be no impact to the Airport Segment Guideway and Stations contract.

KEY ISSUES

- Resolving RFI's and changes, including any delay claims.
- Amendments to the current approved Noise Mitigation plan are being prepared to allow Nan to utilize the equipment at night to complete the work needed.
- A traffic maintenance plan that allows for a reversible lane during contraflow operations has been approved. Principle parts of the plan included 2 east bound lanes in the AM hours and 2 westbound lanes in the PM hours, with a goal of allowing lane closures for 8 hours a day. Implementation has been gradual over several weeks so that impacts can be mitigated with various strategies such as the use of special duty officers at key intersections. By increasing the time that work can be conducted, HART and the contractor can achieve two benefits: a reduction in overall contract time, and a reduction in steel plates on the road as the longer time will allow the contractor to backfill and pave more areas as they are progressing rather than waiting until the following day.

Contracts in ProcurementOVERVIEW

- Awarded Contracts:
 - On Feb. 18, 2016, HART awarded the Independent Financial Auditor "II" Contract to KMH LLP.
- Active Procurements:
 - Art-in-Transit: HART is in negotiations or will commence negotiations with the highest-ranked artists for each of the stations. HART has begun award of the Art-in-Transit contracts.
 - Airport Guideway and Stations Design-Build RFP: HART extended the deadline for the priority listed offerors to submit their proposals from Feb. 23, 2016 to March 22, 2016.
 - City Center Guideway and Stations (CCGS) Design-Build RFP: RFP Part 2 was issued on Feb. 2, 2016.
 - Fare Systems Contract RFP: Offerors submitted their Best and final offers (BAFO) on Feb. 26, 2016, in accordance with the current procurement schedule.
- Upcoming Procurements:
 - Procurements for UH West O'ahu Temporary Park and Ride and UH West O'ahu Campus Road "B" Design-Bid-Build Contract, Pearl Highlands Garage, Transit Center and Ramp H2R1 Design-Build Contract, On-Call Construction Contractor "III" Contract, Real Estate Acquisition "II" Contract, Litigation Services for Eminent Domain Contract, Land Court Petition Services Contract, and On-Call Appraiser Contracts are under evaluation.

4.1 System-wide

A. Core Systems Contract (CSC)

Contract No.: DBOM-920

DBOM Contractor: Ansaldo Honolulu Joint Venture (AHJV)

Contract Start Date: January 2012

Contract Substantial Completion: March 2019

Projected Substantial Completion: December 2019

Project Description: Providing rail passenger vehicles, automated train control system, traction electrification system (TES), communication systems, passenger platform screen gates (PSGs), and operation and maintenance of the Project.



Project Overview: The CSC contractor Ansaldo Honolulu Joint Venture (AHJV) is continuing to progress through Final Design. AHJV is a joint venture between Ansaldo STS and Hitachi Rail Italy. Qualification and design verification tests are ongoing. Construction interface with the MSF contractor (KKJV) is ongoing. AHJV completed construction of the Yard Control Bungalow (YCB) and is starting to install and test equipment. AHJV continues to progress installation of fire detection equipment at the MSF Operations and Servicing Building (OSB) and the Maintenance of Way (MOW) building. AHJV continues to pull Communications cables in the MSF OSB and MOW buildings. MOW vehicles have been delivered and are being tested at the MSF. Final Assembly activities are ongoing for the first four passenger cars.

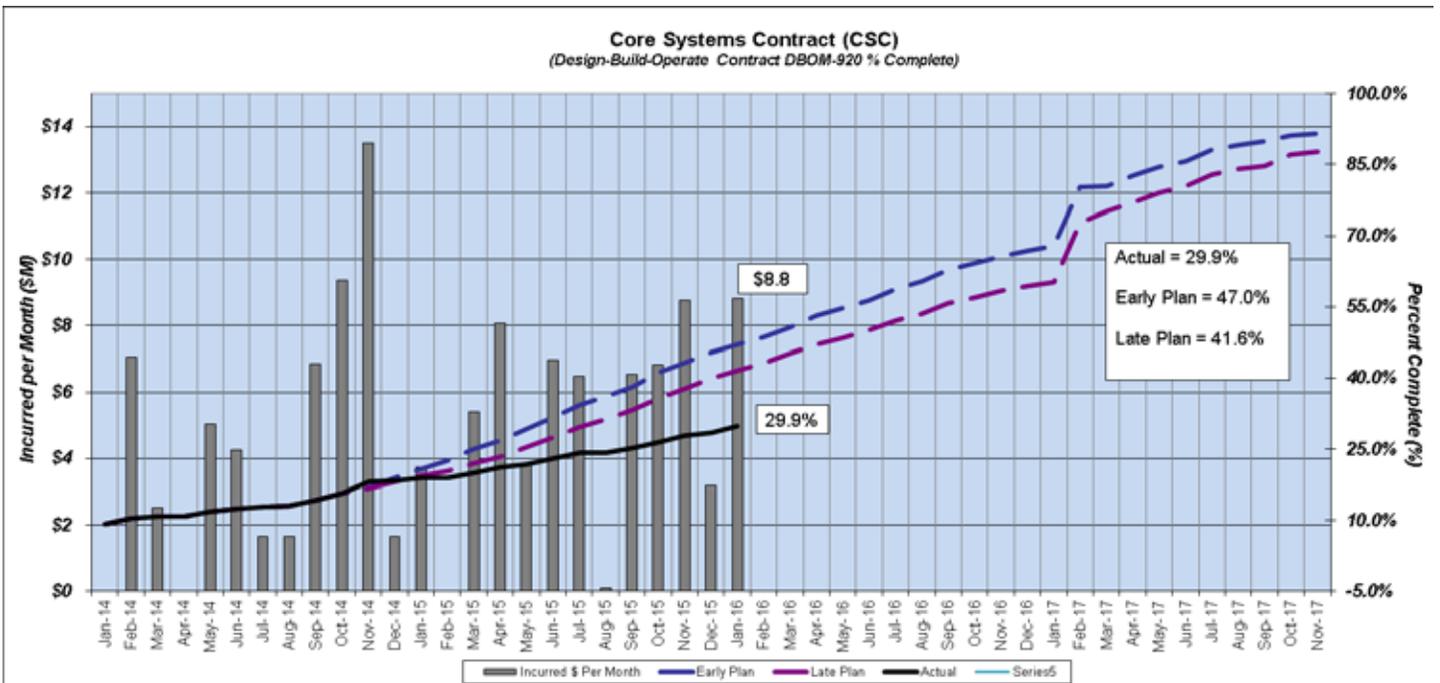
COST INFORMATION:

Original Contract:	\$573,782,793	Incurred-to-Date:	\$177,772,782
Current Contract Value ¹ :	\$599,101,187	Incurred in January:	\$8,816,390

¹Current Contract Value = Original contract value (excluding \$823.6M O&M budget) + executed Change Orders

Disadvantaged Business Enterprise (DBE) Participation	
Actual DBE Participation:	\$129,165
DBE % Attained:	0.029%

January Change Orders		
Change No.	Description	Amount (\$)
0020	Airport City Center Alignment	\$490,000
0021	FOC Pearlridge to DTS Patch Panel	\$47,500
Cumulative to Date		\$25,318,394



The progress chart reflects early program expectations. When the overall schedule is rebaselined and Construction Access Milestone dates are revised, the cost curve will be revised.

SCHEDULE:



	Interim Design Submitted Documents	Final Design Submitted Documents	Target Completion Date
Passenger Vehicles	100%	81%	1 st Q 2016
Communications	100%	45%	4 th Q 2016
ATC/SCADA	100%	99%	1 st Q 2016
TES	100%	100%	Completed
Fire Detection	100%	58%	1 st Q 2016
PSG, UPS, MOW, YCB	N/A	78%	1 st Q 2016

CRITICAL PATH SUMMARY:

- Continue to oversee construction activities with the MSF contractor, the CSC installation subcontractor and the On-Call contractor.
- Passenger Vehicle final assembly continues cabling and equipment installation work, installation of the ceiling and side-wall interior panels in preparation for installation of seats and handrails.
- Due to the modified CAM dates, the equipment installation at Pearl Highlands and Pearlridge Stations is driving the critical path.

WORK PROGRESS:

Activities this Month:

Earned Value: 29% [(Total Achieved to January 2016 (\$168.96 million) + Projected February 2016 Period (\$4.4 million))/Total Contract Including Executed Change Orders (\$598.5 million)].

Design:

- ATC/SCADA – Documents Received: 7, Documents Returned: 19.
- Communications – Documents Received: 23, Documents Returned: 14.
- Traction Power – Documents Received: 4, Documents Returned: 4.
- Fire Detection – Documents Received: 6, Documents Returned: 0.
- Platform Screen Gates – Documents Received: 0, Returned: 3.
- Passenger Vehicles – Documents Received: 9, Documents Returned: 18.

Manufacturing:

- Performed manufacturing oversight work at Hitachi Rail factories. (For additional details, please see the Vehicle Car Shell Progress Tracker in Appendix E.)

Look Ahead:

Design:

- Continue Final Design of all subsystems.

Manufacturing:

- Passenger Vehicle Manufacturing – Continue car shell assembly.
- Continue installation of underfloor, interior and roof-top equipment, install interior ceiling and side-wall lining panels, and commence installation of seats in the first train.
- Car Shell 9 is being prepared for the carbody structural test.
- Continue manufacturing of automated train control, traction power, and other systems equipment.

MSF:

- Continue construction of the foundations and conduits for Communication Interface Cabinets at the MSF yard.

Activities this Month (continued):

- Performed final assembly oversight work at Pittsburg, CA. Equipment installation work on the first train is ongoing.
- Performed Truck Frame and Bolster Production oversight at Hitachi Rail Italy (HRI) supplier, DRS, in West Plains, Missouri.
- Car Shell 7 and 8 are in transit to Pittsburg, CA.

MSF:

- MOW vehicles (MPV, MPV trailer, and Car Mover) were delivered, assembled, and statically tested.
- Yard Control Bungalow - Installation of lighting and HVAC unit are completed.
- Construction of foundations for the Closed Circuit Television Cameras poles at the MSF perimeter is 50% complete.
- Foundation work for 16 Communication Interface Cabinets (CIC) in the yard is ongoing. 10 are completed and 6 are ongoing.
- Installation of Train Control devices (O-Bond and S-Bond) in Phase 2 are complete.
- Preparation of TPSS for HECO Energization is complete.
- Procurement in preparation for installation of COMMS cabling in MSF OSB and MOW is ongoing.

Look Ahead (continued):

- Continue installation of Train Control and COMMS cables in the track areas.
- Test Fire Detection Alarm System (FDAS) devices in the MSF OSB and MOW.
- Yard conduit installation: On-Call contractor installation of yard conduit extensions for Phase 1 and 5.
- Dynamic testing of MOW vehicles.
- Energization of the YCB scheduled for early March.
- Energization of the MSF Yard TPSS scheduled for early March.
- Installation of the Fiber Optic Backbone in the MSF Yard.

KEY ISSUES:

- Revisions to the station and guideway Construction Access Milestone (CAM) dates require evaluation of interfacing work schedules.
- Vehicle Production and Testing is an ongoing monitored risk. HART and CSC are working closely to ensure successful delivery of the first train to Honolulu and completion of the static and dynamic testing of the vehicle.
- Communications System design completion is delayed. HART is working closely with AHJV to identify key issues and a corrective action plan to bring design and qualification testing to closure.

QUALITY MANAGEMENT:

- Overall quality of the contract is good.
- HART QA is currently reviewing revised Quality Assurance Plans (QAP) including Implementing Procedures (IP) of AHJV, ASTS (Hitachi), Hitachi Rail Italy and Hitachi Rail USA.

Testing		
Subsystem	Test Completed	Date Completed
Vehicles	MOW vehicle static test	Feb. 12, 2016

Passenger Vehicle – Oversight		
Facility	Activity	Date Completed
Pittsburg, CA	On-site inspector in place to oversee and report on Hitachi Rail Final Assembly activities. Equipment installation work is ongoing on the first train. Seventh and eighth car shells are on-site.	Ongoing

CSC NCR Log			
	TOTAL	CLOSED	OPEN
AHJV & Subs	26	23	3
Hitachi Rail	358	281	77
TOTAL	384	304	80

- Hitachi Rail Italy had previously generated NCRs for each aluminum car shell element with manufacturing issues found during car shell production; primarily at the subassembly supplier (CMC). Corrective actions have been taken for future production, and adjustments are being made to current assembled parts.
- Hitachi Rail Italy Supplier, DRS, has generated NCRs for the Truck and Bolster weldment assemblies. These NCRs are being addressed by DRS in coordination with Hitachi Rail Italy.
- Hitachi Rail USA has generated NCRs for various final assembly issues. These NCRs are being addressed by Hitachi Rail USA in coordination with Hitachi Rail Italy.

PROJECT PICTURES:



MOW vehicle in transit from M7 to M1 at MSF.



Preparing MOW vehicle for static testing at MSF.



Interior panel installation at Hitachi Rail USA – Final Assembly in Pittsburg, CA.

B. Elevators and Escalators Manufacture-Install-Maintain (MIM)

Contract No.: MI-930

Contractor: Schindler Elevator Corporation

Contract Start Date: August 2013

Contract Substantial Completion: May 2018

Projected Substantial Completion: The May 2018 completion date will change to a later date predicated on the award of the DB contracts for the east portion of the guideway.



Project Description: Furnish / install / test / maintain all elevator and escalator equipment located at the 21 stations.

Project Overview: The release to begin manufacturing of the FHSG and WOSG equipment will be scheduled once an approved construction schedule with the respective contractors has been completed.

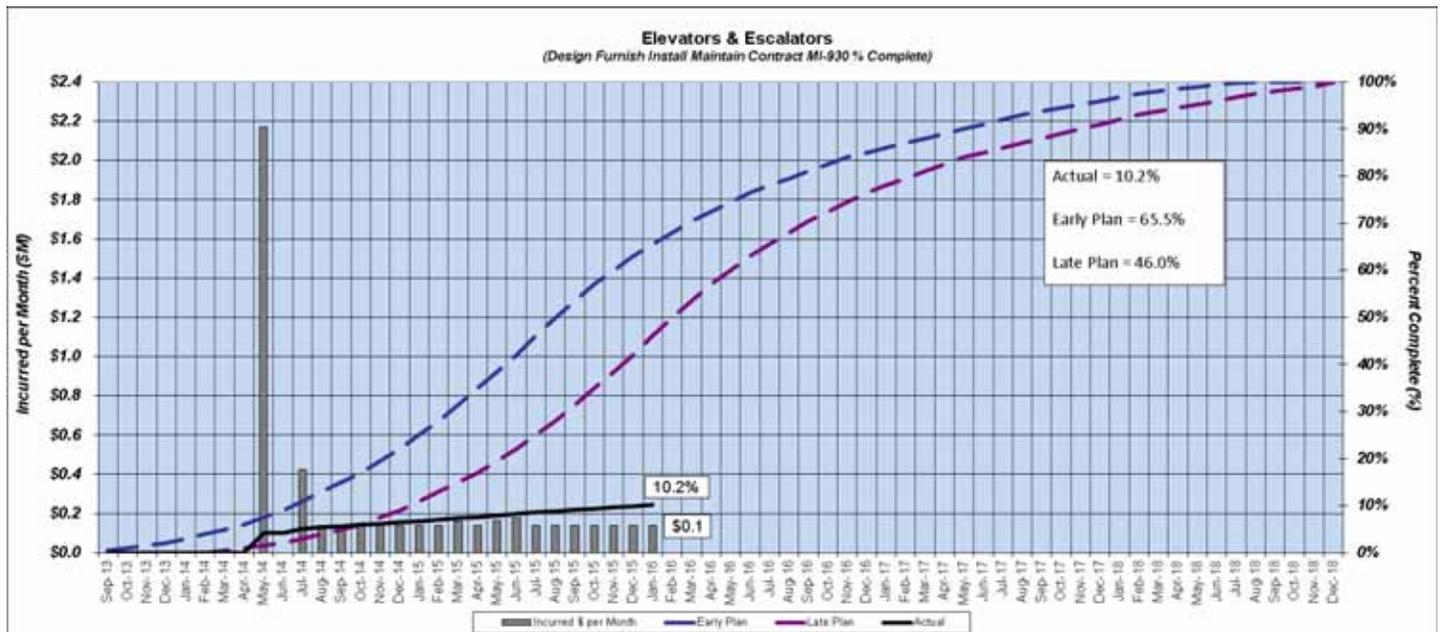
COST INFORMATION:

Original Contract:	\$50,982,714	Incurred-to-Date:	\$5,207,281
Current Contract Value ¹ :	\$50,982,714	Incurred in January:	\$140,825

¹Current Contract Value = Original contract value with Design Allowance + executed Change Orders

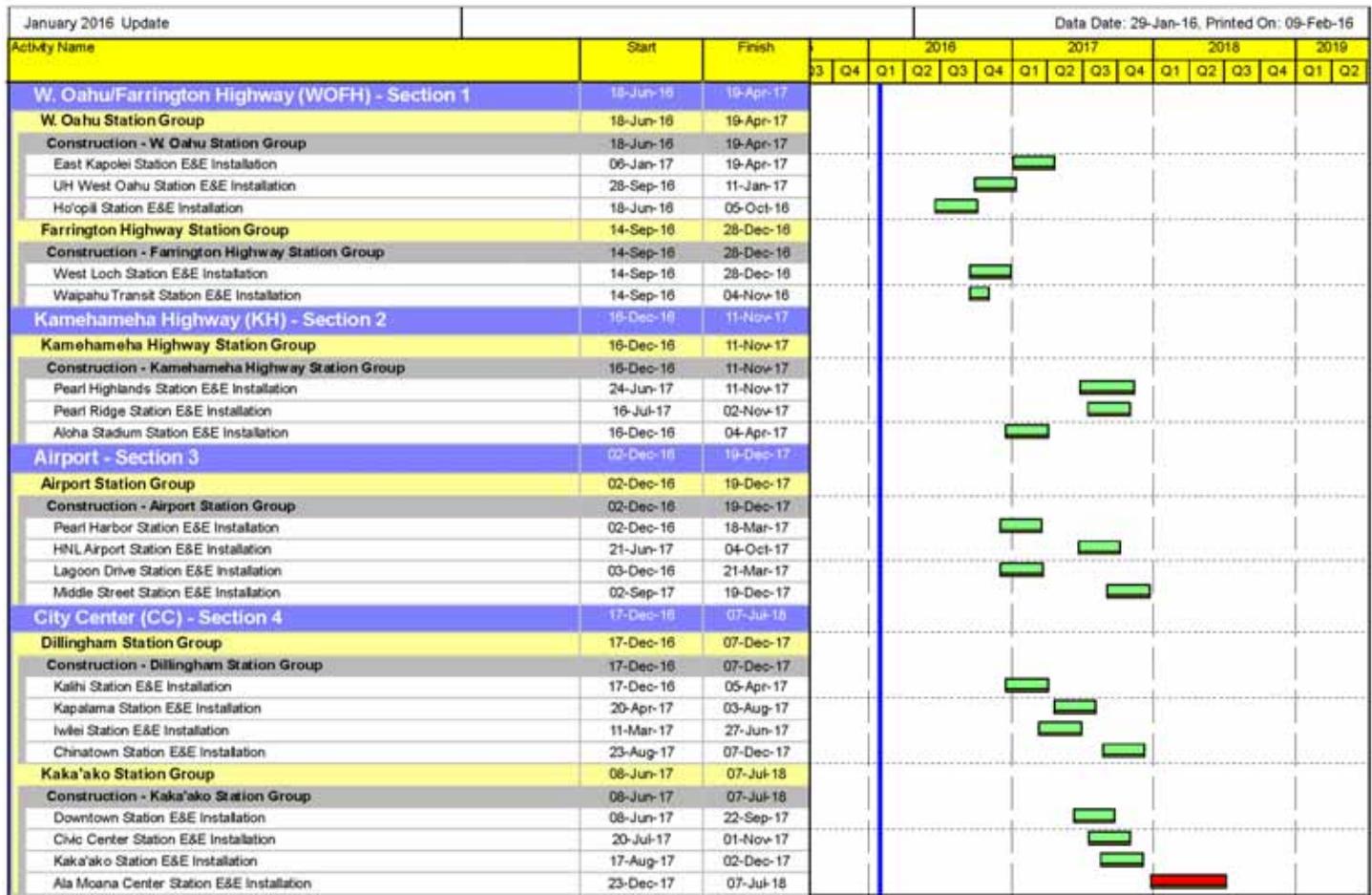
DBE Participation	
Actual DBE Participation:	\$0
DBE % Attained:	0%

January Change Orders		
Change No.	Description	Amount (\$)
None	---	---
Cumulative to Date		\$0



The progress chart reflects early program expectations. When the overall schedule is rebaselined and Construction Access Milestone dates are revised, the cost curve will be revised.

SCHEDULE:



CRITICAL PATH ISSUES:

- Coordination with station contractors on construction interface milestones.
- Re-bidding of the Airport and City Center sections of guideway with stations as Design-Build contracts will impact the completion of the Elevator Escalator contract.

WORK PROGRESS:

Activities this Month:

Earned Value: 10.2%; Planned Value: 46%

- Final Design is approximately 40% complete, as 9 of the 21 stations are ready to be released for manufacturing once the contractor's schedules are approved.
- All draft equipment drawings for the 21 stations have been submitted for review and have been accepted.
- Design is complete on the three FHSG stations, three WOSG stations, and the three KHSG stations.

Look Ahead:

- Release for manufacturing for the Farrington Highway Station Group and the West O'ahu Station Group elevators and escalators is expected to occur in March 2016.

KEY ISSUES:

- The release to allow manufacturing for FHSG and WOSG is expected to occur in March 2016. The release of the equipment required for KHSG will be dependent on the NTP of the KHSG contract. Final completion of the equipment requirements for the four stations included in the DB contract for Airport Guideway and Stations is on hold pending contract award. The eight stations included in the City Center Guideway and Stations contract is also on hold pending contract award of the DB contract for this work. Both of the DB solicitation packages contain the size and configuration of the elevators and escalators purchased for these twelve remaining stations.

C. Fare Collection System

Contract No.: TBD
Contractor: TBD
Contract Start Date: TBD
Contract Substantial Completion: TBD
Projected Substantial Completion: TBD

Project Description: The fare system is a joint HART and City and County of Honolulu (DTS, DIT, BFS) project that will consist of a multi-model, closed loop, account based smart card system. The Fare System Vendor will be responsible for design, manufacture, testing and installation of the entire system inclusive of hardware and software.

The rail portion of the project will consist of Ticket Vending Machines (TVMS) and fare gates at stations that accept smart cards which can also be used for payment on board TheBus and facilitate a seamless transfer between modes. Equipment and software to be used by both HART and the City and County will include the transaction processing, fare equipment monitoring, customer service systems, as well as a Data Warehouse. TheBus equipment will consist of stand-alone smart card readers on board.

Project Overview: The Fare Systems RFP was released on Aug. 11, 2015. As a result of potential Offeror requests, the deadline for proposals was again extended to Nov. 13, 2015. Best and Final Offers (BAFO) were received at the end of February 2016. A recommended best value proposal is anticipated to be selected by the evaluation team by mid-March 2016. An MOU for capital cost sharing with the City has been executed and an MOU for Operations and Maintenance has been drafted and the technical review is complete. The document is currently with COR for legal review. A Fare Systems technical consultant contract was awarded on Sept. 24, 2015, to CH2M Hill to support design review, testing and installation. The selected DBOM contractor is anticipated to start design in April 2016.

COST INFORMATION: TBD

SCHEDULE:

- RFP released Aug. 11, 2015. Award anticipated in March 2016. System design anticipated to start in spring 2016.
- Manufacture in second quarter 2017.
- System testing for the back office functions and TheBus anticipated in third quarter 2017.
- Anticipated system pilot launch on TheBus in fourth quarter 2017, with full roll out on TheBus (including all central systems) in first quarter 2018.
- Interim roll out for rail in late 2018.
- Full roll out on rail in 2021.

CRITICAL PATH ISSUES:

- MOU for O&M cost sharing between HART and the City.

WORK PROGRESS:

Activities this Month:

- Conducted discussions with PLO.
- Additional reviews with COR on the terms of the Operations and Maintenance MOU.
- Provided technical communiqué to Board on fare systems procurement schedule.

Look Ahead:

- Finalize Fare Systems O&M MOU.
- Review BAFO documents and make a recommendation to Chief Procurement Officer (CPO) on best value offeror.
- Kick off fare modeling work in cooperation with OahuMPO, including completing grant sub-agreement.

KEY ISSUES:

- Completing legal review of MOU for O&M cost sharing between HART and the City.
- Determining the best value proposal for HART and the City for the Fare System.

4.2 Section I – West O’ahu/Farrington Highway: East Kapolei to Pearl Highlands

A. West O’ahu/Farrington Highway Guideway (WOFH)

Contract No.: DB-120

DB Contractor: Kiewit Infrastructure West Company (KIWC)

Contract Start Date: December 2009

Contract Substantial Completion: July 2016

Projected Substantial Completion: January 2017



Project Description: Design and construction of 6.8 miles of rail alignment, starting at the East Kapolei Station and ending at the Pearl Highlands Station.

Project Overview: In February, progress continues for span stressing, track installation and road restoration work. Segment erection from West Loch Station through East Kapolei Station has been completed. Headings #1 and #2 are erecting segments from West Loch Station and Waipahu High School (WHS), respectively, to progress towards Waipahu Transit Center Station. The Project’s Key Quality Issues continue to focus on segment repairs, span shear keys and column pedestal repairs.

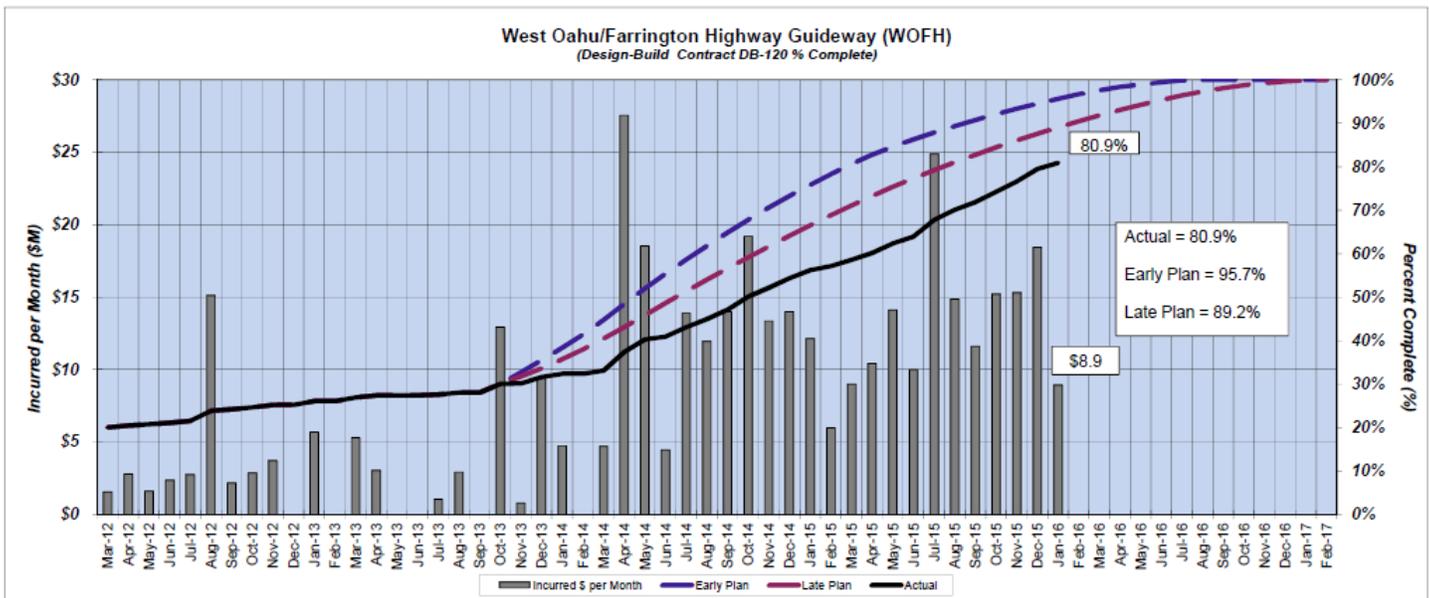
COST INFORMATION:

Original Contract:	\$482,924,000	Incurred-to-Date:	\$520,950,837
Current Contract Value ¹ :	\$643,924,758	Incurred in January:	\$8,917,900

¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$6,812,966
DBE % Attained:	1.41%

January Change Orders		
Change No.	Description	Amount (\$)
CCO073	Escalation Due to Schedule Impact Pt 2	\$11,750,000
Cumulative to Date		\$161,000,758



In February, KIWC submitted Pay Application Escalation Invoices #77, 78 and 79 to HART for review. The escalation invoices rejected by HART in January were resubmitted in February. Pay Application #76 for December 2015 billing was resubmitted by KIWC and is currently being reviewed by HART. Retention for all progress above 50% completion will continue to be released on future pay applications.

SCHEDULE:

- KIWC has notified HART that a 6 month time extension beyond substantial completion is needed due to the changes within the LCC work area. HART is reviewing the request and will relay its findings back to KIWC. KIWC has submitted a revised baseline schedule via contract Request for Change (RFC) in August 2015. HART is currently reviewing the contract time extension request for merit while working with KIWC to mitigate any further delays to the contract surrounding the LCC construction work activities.

On Dec. 10, 2015, KIWC formally notified HART of a unilateral work stoppage of all LCC construction work activities currently being performed by KIWC until the LCC Parking Lot, Portables and Access Structure Construction Change Orders are finalized.



CRITICAL PATH ISSUES:

- Per KIWC, the compounded effects of the delay in execution of the HART/UH/LCC Construction Right-of-Entry (CROE), the lead time for new modular buildings, and delays with the procurement authorization change for new modular buildings continue to drive completion of the project. KIWC proceeded in August 2015 with construction activities including all scope changes. The modular buildings arrived on site in October 2015 and were in the installation phase until December 2015, when KIWC formally notified HART of a unilateral work stoppage of all LCC construction work activities.
- Work at the Balanced Cantilever System (BCS) area has slipped from the October 2014 schedule and is near critical path with minimal total float days available. HART continues to monitor the BCS work closely.

WORK PROGRESS:

WOFH Construction Status as of 2/12/16									
Utility Status	Qty to Date	Final Qty	% Complete	Structure Element	*** Total to Date	Planned to Date		Total Qty	% Complete
						Accepted Schedule*	Revised Schedule**		
Water Line	9,028	9,348	97%	Shafts	309	309	308	309	100%
Sewer Line	550	570	96%	Columns	283	278	257	283	100%
Fuel Line	340	340	100%	Segment Casting	3,209	3,209	3,031	3,209	100%
Gas line	1,591	1,591	100%	Spans Stressed	258	256	216	274	94.2%
Drainage Line	4,191	5,166	81%	* Accepted Schedule was submitted in 2013.					
Elec/Telecom	16,889	21,374	79%	** The planned values are based on KIWC's pending July schedule revision dated August 24, 2015. Revised schedule reflects a 6-month delay in completion.					
Street Lights	6,335	8,357	76%	*** Total quantity for the construction items has been revised to reflect the latest Issued for Construction number of shafts, columns, segments and spans.					
Traffic Sig/ITS Duct bank	8,552	10,802	79%						
System Sites	1,683	7,046	24%						
ITS Systems Devices	821	4,121	20%						

Activities this Month:

Earned Value: 82.3% [(Total Achieved to January 2016 (\$507.9million) + Projected February 2016 Period (\$22.4 million))/Total Contract Including Executed Change Orders (\$644 million)]. Planned Value: 90.6%

Look Ahead:

Design Progress

- KIWC continues to work toward completing final design. Additional submittals are expected to be issued for construction, pending coordination with other parties and contracts.

Activities this Month (continued):**Shaft/Column**

- Shaft and column construction is now complete.

Guideway Segment Erection

- Eastbound Heading #1 segments were erected from Span 200 through Span 207. Westbound Heading #2 segments were erected from Span 230 through 221.

Utility Relocation

- KIWC continues to relocate third party utilities. All shaft conflict relocation and guideway conflicts have been completed; only station conflicts and traffic signals are outstanding.

Balanced Cantilever Structure

- Cast four segments downstream and three segments upstream at Pier 256.

Track Construction

- KIWC completed thermite welding activities. KIWC is also installing track plates and concrete plinth forms east of East Kapolei Station as well as continuing to lay track between Ho'opili and West Loch Station.

Precast Yard

- Precast Yard casting of the segments has been completed and segment repair work is ongoing.

KIWC/Third-Party Coordination

- HECO and KIWC continue to resolve station utility conflicts relocations.

Civil Structures

- Mechanically Stabilized Earth (MSE) Block Walls A, B, C and D by Pier 251 have been completed. KIWC will continue the installation of reinforcing for walkways and retaining wall footings.

Look Ahead (continued):**Shaft/Column**

- Shaft, transition zone and column construction have been completed on the project. KIWC will pour and strip the remaining hammerheads at the station columns.

Guideway Segment Erection

- Segment span erection will continue from Span 221 westbound towards Waipahu Transit Center, and from Span 207 eastbound along Farrington Highway to intersect Heading #2 at Waipahu Transit Center Station. Heading #2 will be stripped and demobilized at Span 219.

Utility Relocation

- Work to relocate the remaining traffic signals along Farrington Highway.

Balanced Cantilever Structure

- Segments will be cast upstream from Pier 256. The Pier 255 and 256 closure pour segment will complete the BCS segments on the project.

Track Construction

- Align and final set of the rail will be performed by Ho'opili Station. Welding operations will continue at the BCS area. Concrete plinth construction to be installed east of East Kapolei Station.

Precast Yard

- KIWC will continue with segment repair work.

KIWC/Third-Party Coordination

- Continue to resolve conflict construction and traffic issues with third-parties.

Civil Structures

- MSE Block Walls will progress with the fixated slab construction by Pier Slab 251.

KEY ISSUES:

- **Leeward Community College (LCC) Portables and Parking Lot Change Order** – KIWC elected to halt all construction work activities at the LCC Station area until a change order for the work in this area is executed. The LCC Change order was presented to the HART Board in February and received approval for processing.
- **Construction Production/Baseline Schedule** – A re-sequenced October 2014 baseline schedule was submitted to HART in December 2014, reflecting extended construction durations. This revised schedule is being used to track progress against schedule of payment milestones. KIWC submitted an updated schedule in August 2015 via an RFC containing significant changes in durations, logic, as well as activity modifications, which is currently under review by HART.
- **Night Noise Variance** – HART was notified by the Department of Health (DOH) that backhoes and excavators will no longer be allowed for nighttime work due to the contractor's improper use of equipment and receipt of complaints. HART has requested reconsideration on behalf of the contractor and the DOH response is forthcoming.
- **Intersection Closure for Span by Span** – KIWC has successfully completed span erection and post tensioning at multiple intersections. Temporary intersection closures were implemented at the Waipahu Depot intersection through February, to support span operations. The next intersection closure will be by Mokuola intersection. KIWC and HART will continue to evaluate opportunities for minimizing full closures at intersections during span by span operations over intersections along Farrington Highway. In addition, as a requirement for lane closure permits issuance, HART has requested that KIWC perform traffic analysis at intersections to determine the impact of full lane closures on the driving public and nearby businesses.
- **Design Completion Schedule** – As of mid-February, 131 of 134 design submittals have been accepted. Department of Transportation Services (DTS) traffic signal design packages account for a majority of the remainder of the design, which is not impacting construction.
- **Closeout and Coordination** – As the project approaches substantial completion, KIWC has continued coordination with station contractors and HART on project closeout documentation requirements, including as-built drawing reviews and submitting QA-QC final acceptance checklists for review.

- **HDOT Roadway Restoration** – As the project nears completion, KIWC has begun road restoration work on the project including curb and gutter work, roadway subbase installation and mill and overlay. KIWC, HART and HDOT have set up bi-weekly construction coordination meetings to resolve ongoing issues and ensure that the final product for the roadway restoration is acceptable to HDOT. Paving of old Farrington Highway to Leoku Street began at the end of February.

QUALITY MANAGEMENT:

- KIWC continues to follow their established quality processes through quality monitoring and audits.
- **Span 17 Damage and Repair** – During the erection process of Span 17, segments 17-1, 17-2, 17-11 and 17-12 were damaged due to unbalanced support from the temporary bearings. NCR 00314 was opened to address this issue. The Span 17 repair has been completed and this NCR has now been closed.
- **Pre-Cast Segment and Span Erection Progress/Quality** – 147 of the total 516 NCRs (28.5%) have been related to segmental casting issues like damaged shear keys, concrete voids, and spalls. Proper correction procedures have already been developed and are being implemented, and these issues are currently being resolved.
- **Closing Out NCRs** – Both KIWC and HART have been working together to promptly correct, validate, and close out NCR’s during this period. A total of 27 NCRs have been closed since last month.
- **Track Construction Operations** – HART and KIWC continue to have discussions on Direct Fixation Shim Tolerances. KIWC is working to resolve outstanding technical issues on the shim tolerances.
- **Finishing Work on Construction Items** – KIWC finishing crews have been working together with their quality team at progressing the finishing work on erected segment spans, resolving all outstanding issues, and preparing the final set spans for close out.
- **Span 258 – NCR 509:** a few strands of the 12-Strands Tendon T1L installed on Span 258 failed after post-tensioning. KIWC is preparing a Remediation Plan to replace the failed Tendon T1L. HART and KIWC will perform a postmortem of the Tendon T1L after its removal to determine the root cause of the failure and the corrective action to prevent recurrence.

WOFH NCR Log		
Total NCRs Issued To Date	CLOSED	OPEN
516	480	36

PROJECT PICTURES:



Concrete placement for Span 119 Walkway, WA 1.



Concrete placement at Column 159 Hammerhead, WA 2.



Forming fixated track slab by Pier 251, WA 5.



Temporary shoring at BCS Span 256, WA 6.

B. West O’ahu Station Group (WOSG)

Contract No.: DBB-171

Contractor: Nan, Inc.

Contract Start Date: October 2015

Contract Substantial Completion: March 2018

Projected Substantial Completion: TBD

Project Description: The West O’ahu Station Group Construction contract includes services to build three (3) transit stations along Kualaka’i Parkway and Farrington Highway. The stations are East Kapolei (EK), UH West O’ahu (UHWO) and Ho’opili Stations. In addition to the transit stations, operational ancillary buildings, traction power substation and adjacent areas are included in this project.



Project Overview: The contractor was issued Notice-to-Proceed (NTP) on Oct. 13, 2015.

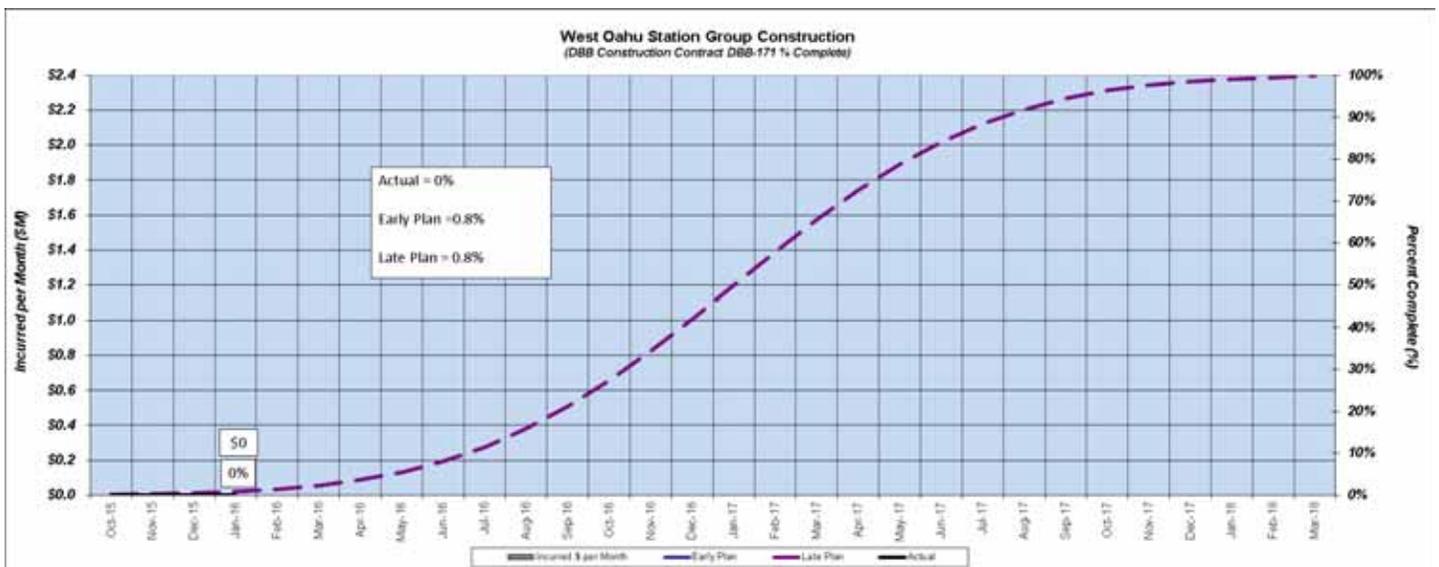
COST INFORMATION:

<u>Original Contract:</u>	<u>\$56,088,470</u>	<u>Incurred-to-Date:</u>	<u>\$0</u>
<u>Current Contract Value¹:</u>	<u>\$56,088,470</u>	<u>Incurred in January:</u>	<u>\$0</u>

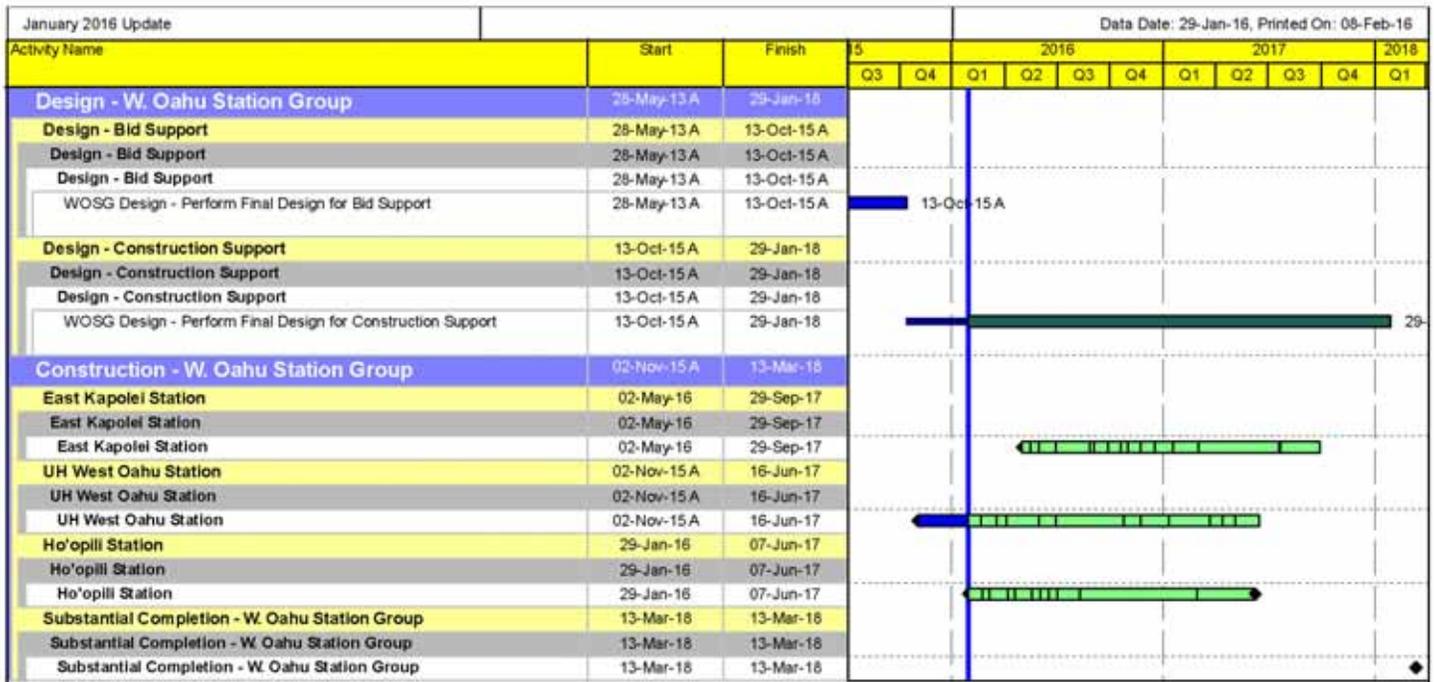
¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$0
DBE % Attained:	0%

January Change Orders/Amendments		
Change No./Amend	Description	Amount (\$)
None	---	---
Cumulative to Date		\$0



SCHEDULE:



CRITICAL PATH ISSUES:

- Baseline Schedule approval.
- Review and approval of the contractor’s Public Involvement Manager.
- Construction Right of Entry to the Ho’opili property.
- Construction access from Kiewit to the Ho’opili site.

WORK PROGRESS:

Activities this Month:

Earned Value: 0%; Planned Value: 0%

- Draft Baseline Schedule revision to be resubmitted. Review comments were provided; contractor to resubmit.
- Ho’opili Right of Entry – Certificate of Insurance revisions were required. Certificate of Insurance will be resubmitted when Nan has complied with the insurance requirements as stated in HART’s Construction Right of Entry agreement with D.R. Horton.
- Contractor has received stockpiling permit for their laydown area near the UH West O’ahu Station site.
- Contractor has declined to sign the Change Order to add the Conformed Set. HART is reviewing the necessity to issue a conformed set to the contractor.

Look Ahead:

- Right of Entry documents from Ho’opili.
- Baseline Schedule approval.
- Issue for Construction (IFC) set of plans to be issued to the contractor.

KEY ISSUES:

- Baseline Schedule.
- Right of Entry and construction access to Ho’opili.
- IFC set to be provided to the contractor.

QUALITY MANAGEMENT:

WOSG NCR Log		
Total NCRs Issued To Date	CLOSED	OPEN
0	0	0

C. Farrington Highway Station Group (FHSG)

Contract No.: DBB-271

Contractor: Hawaiian Dredging Construction Company, Inc.

Contract Start Date: August 2015

Contract Substantial Completion: January 2018

Projected Substantial Completion: TBD



Project Description: The Farrington Highway Station Group construction contract includes services to build three (3) transit stations along Farrington Highway. The stations are West Loch (WL), Waipahu Transit and Leeward Community College (LCC) Station. In addition to the transit stations, operational ancillary buildings, kiss and ride lots, and parking lots servicing the West Loch and LCC stations and adjacent areas are included in this project.

Project Overview: The contractor was issued Notice-to-Proceed (NTP) on Aug. 17, 2015. Hawaiian Dredging Construction Company (HDCC) introduced one (1) Value Engineering (VE) concept– Augercast piles at the Waipahu Transit Station. HDCC has received HART’s feedback regarding the concepts and intends to submit an official VE proposal to HART. HDCC is currently 80% complete with preconstruction activities. HDCC is working on completing the remaining submittals required prior to commencement of construction. Official ground breaking was held Feb. 25.

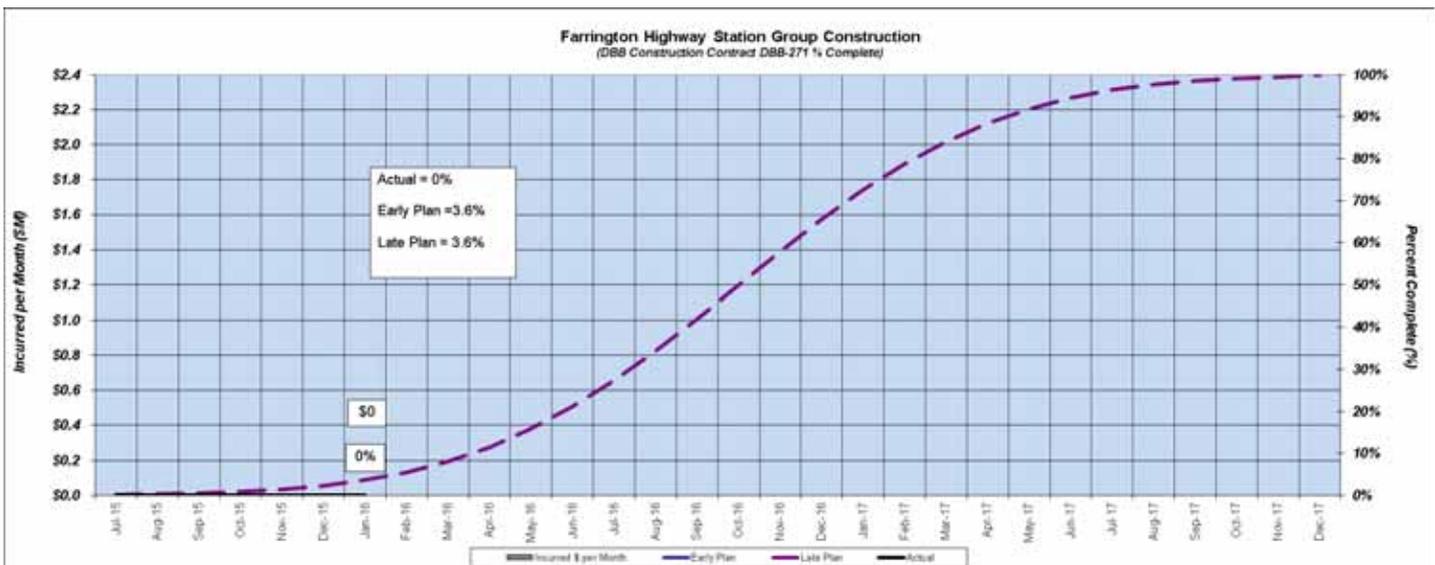
COST INFORMATION:

<u>Original Contract:</u>	<u>\$78,999,000</u>	<u>Incurred-to-Date:</u>	<u>\$0</u>
<u>Current Contract Value¹:</u>	<u>\$78,999,000</u>	<u>Incurred in January:</u>	<u>\$0</u>

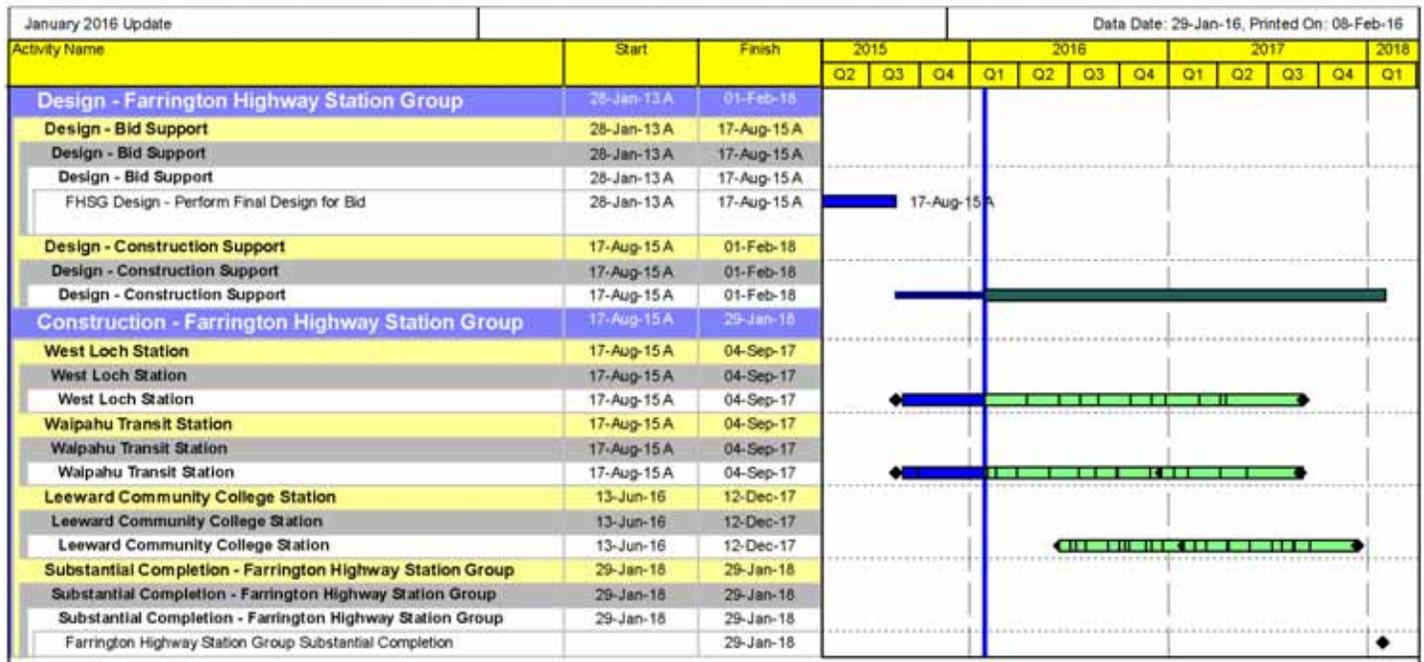
¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$0
DBE % Attained:	0%

January Change Orders/Amendments		
Change No./Amend	Description	Amount (\$)
None	---	---
Cumulative to Date		\$0



SCHEDULE:



CRITICAL PATH ISSUES:

- NPDES permit was obtained by HDCC on Dec. 3, 2015. The Baseline Schedule has been submitted by HDCC, and is pending HART review and approval.
- Review and approval of contractor’s administrative plans and procedures as required by the contract. Environmental Compliance Plan (ECP) approval is pending. Approval of the ECP plan is required prior to start of construction activities.
- Revised plans provided to contractor that include HART requested changes to scope. HART and the contractor are collectively working together to formally incorporate the work into the FHSG contract.

WORK PROGRESS:

Activities this Month:

Earned Value: 0%; Planned Value: 0%

- HDCC and HART held a ground breaking ceremony Feb. 25 for the West Loch and Waipahu Transit Center Stations.
- Revised draft Baseline has been submitted and is under review by HART. ECP is under review by HART. Approval is contractually required prior to commencement of construction.
- HART is working with CE&I staff to quantify additional scope of work added in the IFC set of plans. The contractor has mobilized on the West Loch Makai site, in preparation for earthmoving activities.

Look Ahead:

- HART is still awaiting the Value Engineering proposals from HDCC.
- Baseline Schedule approval is pending HART review and HDCC response.
- Quantification of changes from the IFB set and addendum compared to the IFC set.

KEY ISSUES:

- Quantification of change work included in IFC versus Issued for Bid (IFB) plus addendum and how those changes are incorporated into HDCC’s contract. Administrative processing time required to identify, quantify, negotiate and incorporate the changes formally into HDCC’s contract is the largest concern.
- Approval of Baseline Schedule and ECP.

QUALITY MANAGEMENT:

FHSG NCR Log		
Total NCRs Issued To Date	CLOSED	OPEN
0	0	0

D. Maintenance and Storage Facility (MSF)

Contract No.: DB-200

Contractor: Kiewit/Kobayashi Joint Venture (KKJV)

Contract Start Date: July 2011

Contract Substantial Completion: May 2016

Projected Substantial Completion: May 2016

Project Description: The MSF contract consists of the Operations and Servicing Building (OSB), Maintenance of Way (MOW), Train Wash Facility (TWF) and Wheel Truing Building (WTB). In addition to the four (4) facility buildings, MSF includes rail procurement, special trackwork, ties, third rail and other track material for the four guideway segments on the project.



Project Overview: MSF substantial completion is May 2, 2016.

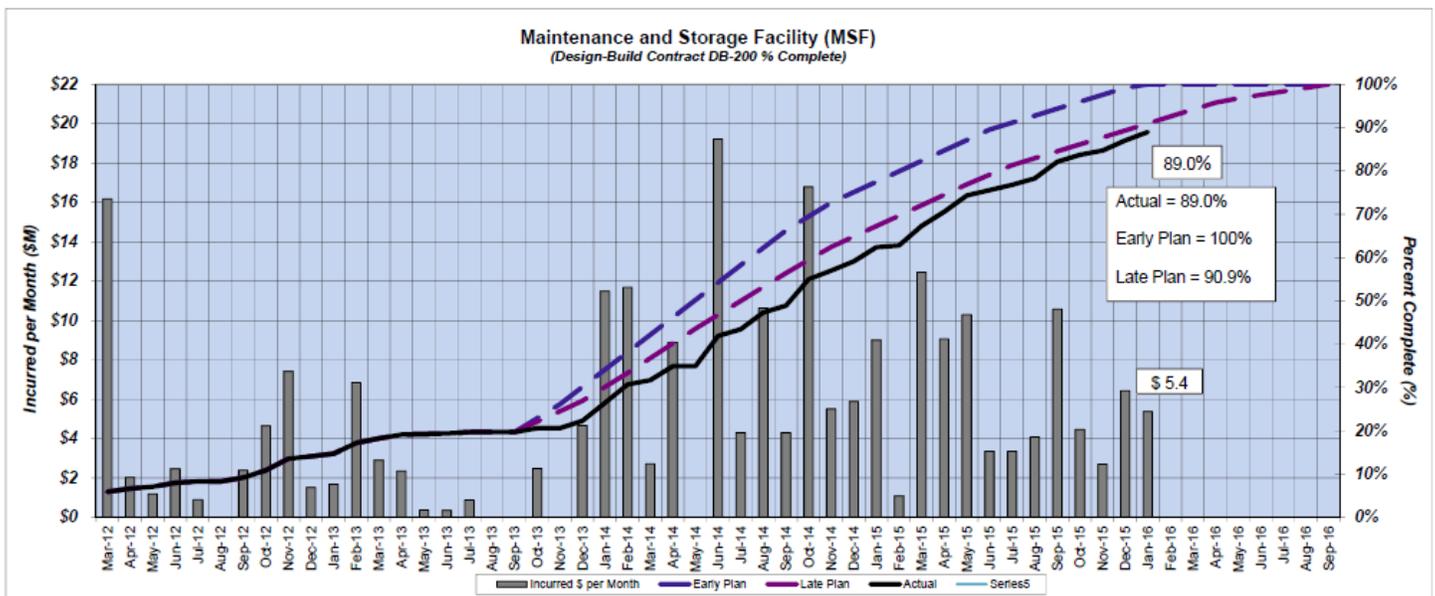
COST INFORMATION:

<u>Original Contract:</u>	<u>\$195,258,000</u>	<u>Incurred-to-Date:</u>	<u>\$244,796,061</u>
<u>Current Contract Value¹:</u>	<u>\$275,685,819</u>	<u>Incurred in January:</u>	<u>\$5,367,668</u>

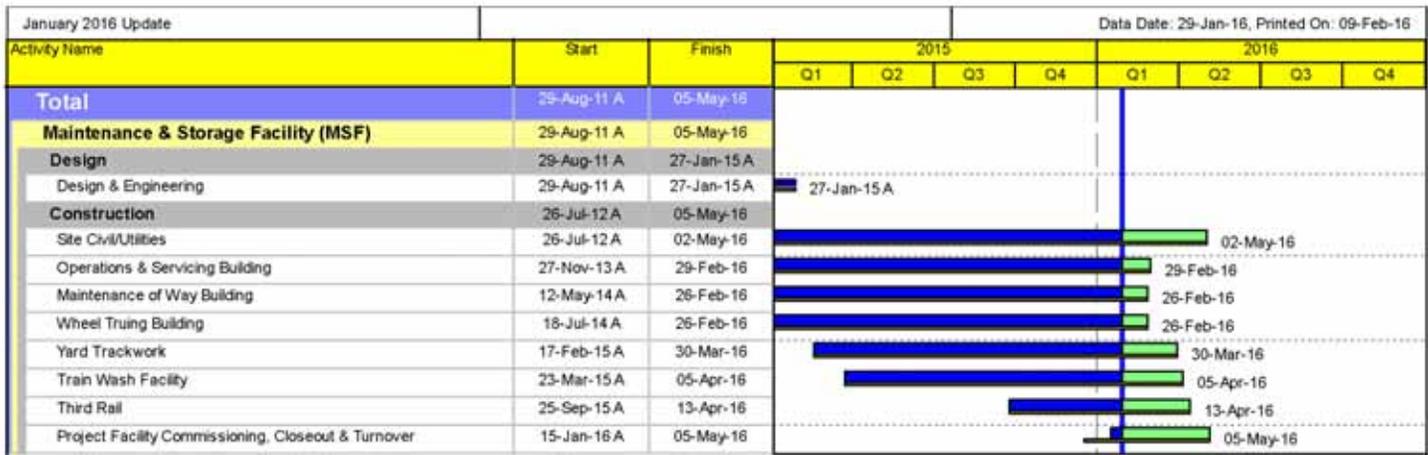
¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$457,029
DBE % Attained:	0.23%

January Change Orders		
Change No.	Description	Amount (\$)
CCO 040	Layout Direct Fix/Ballasted Turnout	(\$422,634)
CCO 042	Mainline Rail Material Quantities	(\$38,000)
CCO 043	Storage Lease Extension	\$99,030
Cumulative to Date		\$79,427,819



SCHEDULE:



CRITICAL PATH ISSUES:

- Scheduling work related to yard track and OSB to support program MSF completion date.
- Coordination with abutting WOFH main line contract for completion of track work in west yard, and utilities and site access in the east yard.

MSF Construction Status	
91% Complete Overall as of 2/29/16	
Element	% Complete*
OSB	93%
MOW Building	94%
WTB	97%
TWF	60%
Rail Procurement	100%

*Not including testing and commissioning.

WORK PROGRESS:

Activities this Month:

Earned Value: 87% [(Total Achieved to December (\$234 million) + Projected January 2016 Period (\$5.6 million))/Total Contract Including Executed Change Orders (\$275 million)]. Planned Value: 92%

Yard/Utilities

- Installing conduit for systems, communications, train control, traction power, site electrical and exterior lighting.
- Track drain, subballast, and ballast installation at East Yard Lead and West Yard Lead and RL 1 Track north of TWF.
- Completed paving for portions of Driveways 'B' and 'C.'
- Poured concrete curb and gutter and placed aggregate base course for portions of Driveways 'A', 'B' and 'C.'
- Installed oil and water separator vaults for MOW and OSB.

Operations and Servicing Building (OSB)

- Installation of mechanical/electrical/plumbing is ongoing.
- Elevator installation continues.
- Installing service and emergency lighting.
- Installing interior and exterior building finishes.
- Installing power distribution cabinets.
- Completed installation of overhead doors.
- Completed installation of HVAC system.
- Installed compressed air lines (copper).
- Completed installation of office doors and hardware, lockers and benches.

Maintenance of Way (MOW)

- Continue installing mechanical/electrical/plumbing systems.
- Energized all interior lighting.
- Completed occupancy sensors and exit lights.

Look Ahead:

Yard/Utilities

- Continue train wash, MOW, and ready track installation.
- Continue East Yard Lead track.
- Continue West Yard Lead track.
- Continue contact rail installation and testing.
- Continue testing of running rail.
- Continue installation of exterior yard and perimeter lighting.
- Complete Signal and Control Raceway.
- Complete turnover of Phases 1 and 5 storage tracks to CSC.
- Complete paving of Driveways 'A', 'B' and 'C.'

OSB

- Installation of turntables and hydraulic lifts.
- Installation of overhead bridge cranes and electrical power test.
- Completion of interior finishes.
- Test and balance HVAC system.
- Install bathroom cabinets and fixtures.

MOW

- Interior and exterior finishes.
- Continue electrical, mechanical and plumbing.

Activities this Month (continued):

- Completed installation of ceiling tiles (2nd floor).
- Installed timber decking off Breakroom.
- Completed installation of office doors and hardware.
- Initiated installation of shop equipment.
- Completed installation of pallet racks.
- Completed installation of overhead door operators.
- Completed installation of Fire Detection and Alarm System (FDAS).
- Completed installation of bathroom tiles and lockers. Initiated installation of bathroom cabinets, partitions and fixtures.

Wheel Truing Building (WTB)

- Performed interior paint touch-up and installed ceramic wall tile.
- Completed plumbing trimout.

Train Wash Facility (TWF)

- Completed installation of standing seam metal roofing system.
- Ongoing transport and installation of Direct Fixation Track.
- Commenced installation of recycle water/wash equipment.
- Continue electrical installation.

Rail Procurement and Installation

- Installation of contact rail is ongoing.
- Installation of turnouts is ongoing.
- Installation of pre-curved rail is ongoing.
- Installing subballast and ballast for ready tracks RL1 north of Train Wash.
- Continuity testing of running rail and conductivity testing of contact rail.
- Turnover of Phases 2, 3 and 4 to CSC is complete.
- Preparing for turnover of Phase 1 and 5 storage tracks to CSC.

Administration

- Continued working with the CSC to resolve design interface issues and turned over raceways and areas of the rail yard.

Look Ahead (continued):

- Install shop equipment.
- Test adjust and balance HVAC.

WTB

- Testing of Wheel Lathe.
- Complete finishing of floors.
- Complete plumbing trim.
- Ceramic tile.
- Release Building Systems raceway to CSC.

Train Wash Facility

- Continue installation of Direct Fixation Track.

KEY ISSUES:

- **Joint Occupancy with Core Systems Contractor** – weekly meetings are held and details are being worked out for systematic release of areas and infrastructure whereby the Core Systems Contractor can commence work.
- **Coordination with the abutting main line contract** – for completion of site access in the east and west yards, including rail, vehicular access and utility interconnection.
- **Train Car Delivery and Assembly** – Rail, access and building completion in support of train car delivery and assembly, including site access and internal movement of assembled rail cars.
- Orderly completion of traction power, train control and building services conduits.
- Resolution of outstanding Interface Control Documents (ICDs).

QUALITY MANAGEMENT:

- Overall quality of the contract is good.
- NCR 28 concerns application of fire stops and seals in rated walls.
- NCR 29 concerns a missing ground wire.
- NCR 30 concerns TWF sewer drain discrepancies.
- NCR 31 concerns TWF CMU Walls.
- NCR 32 concerns TWF Direct Fixation anchorage.

MSF NCR Log		
Total NCRs Issued To Date	CLOSED	OPEN
32	27	5

PROJECT PICTURES:



Grading initial ballast for RL tracks near TWF.



OSB bathroom tile and shower insert.



TWF standing seam metal roofing system.



MOW locker installation.



Forming Curb and Gutter at intersection of Driveway 'A' and 'B.'



OSB terrace decking.

4.3 Section II – Kamehameha Highway: Pearl Highlands to Aloha Stadium

A. Kamehameha Highway Guideway (KHG)



Contract No.: DB-320

Contractor: Kiewit Infrastructure West Company (KIWC)

Contract Start Date: June 2011

Contract Substantial Completion: September 2016

Projected Substantial Completion: September 2017

Project Description: Kamehameha Highway Guideway DB Contract (KHG) consists of 3.9 miles and starts 400 feet east of the Pearl Highlands Station and terminates 1,400 feet beyond the Aloha Stadium Station. KHG work scope is made up of utility relocations, highway widening, drilled shaft foundations, columns and aerial structure.

Project Overview: Construction of the drilled shafts continues east of the H-1 overpass. Column construction has been completed from the WOFH project limits to Waimano Home Rd., with the exception of the Cantilever “C” piers at Acacia that are currently being post-tensioned as the segments are erected upon them. Construction of columns in the Aloha Stadium area are scheduled to begin construction.

HART and KIWC continue to work at senior management levels to ensure current utility relocation schedules are being maintained.

Per KIWC’s progress schedule, the contract is twelve months behind schedule which includes the guideway structure completion in April 2017 and the remaining roadway civil work being completed by September 2017.

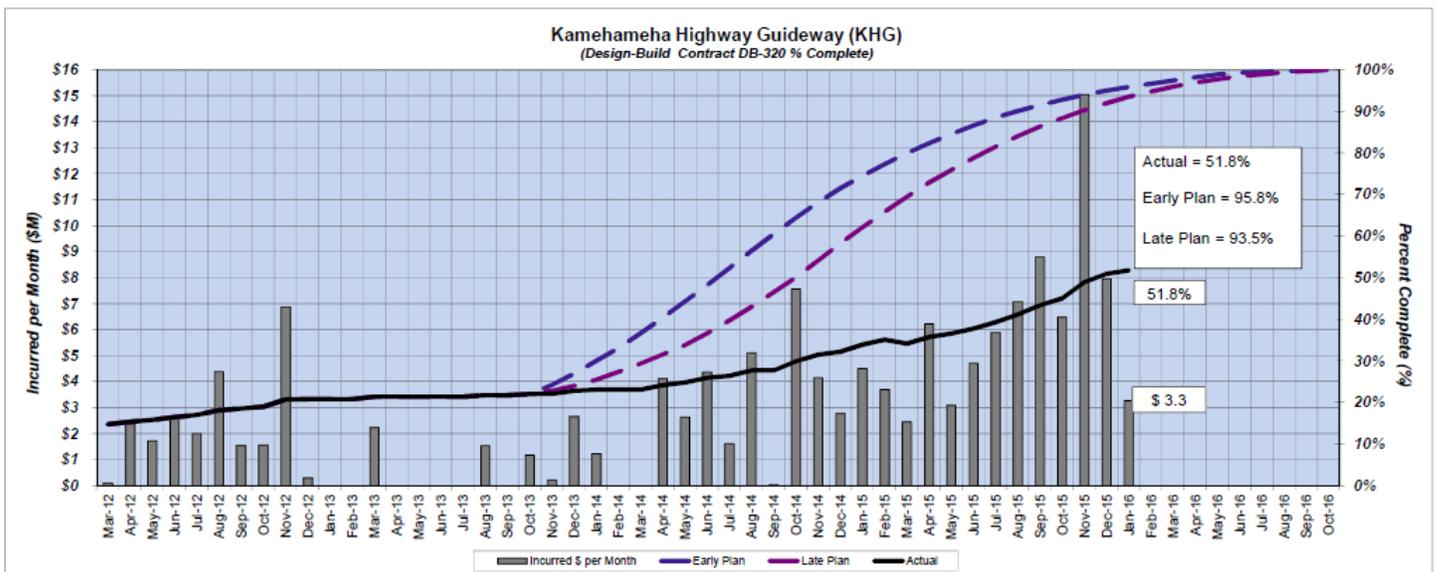
COST INFORMATION:

<u>Original Contract:</u>	<u>\$372,150,000</u>	<u>Incurred-to-Date:</u>	<u>\$201,404,960</u>
<u>Current Contract Value¹:</u>	<u>\$388,967,876</u>	<u>Incurred in January:</u>	<u>\$3,271,743</u>

¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$297,631
DBE % Attained:	0.08%

January Change Orders		
Change No.	Description	Amount (\$)
None	---	---
Cumulative to Date		\$16,817,876

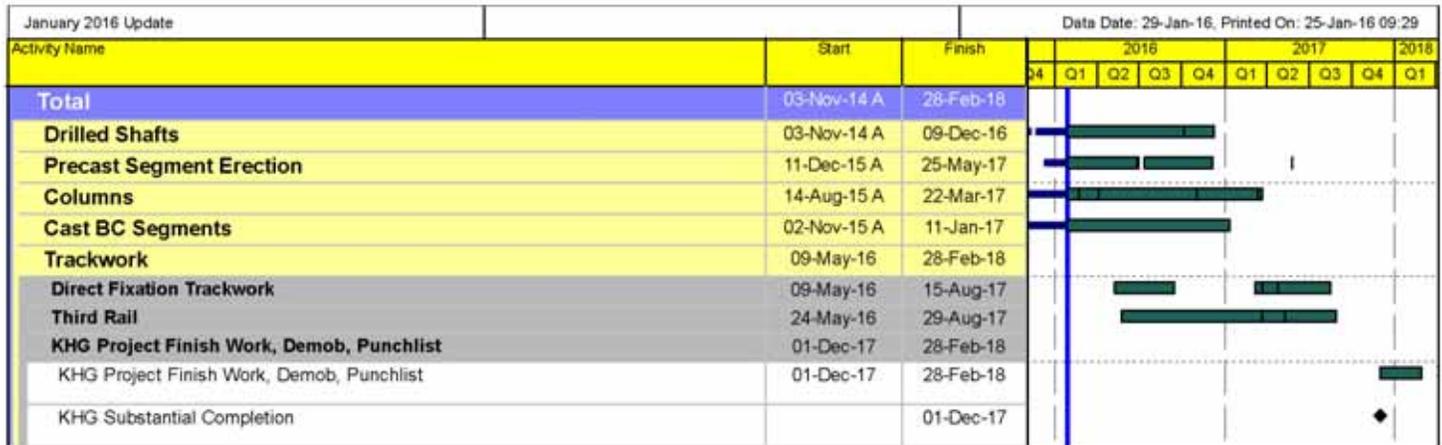


KIWC Pay Application #54 for the December 2015 billing was approved by HART. Invoices applications #55 and #56 were rejected.

SCHEDULE:

KIWC submitted a schedule revision in December 2014 with a data date of October 2014, which showed a revised Substantial Completion date of April 4, 2017. HART provided review comments to the schedule and has requested re-submittal via Request for Change (RFC) due to the change to the contractual substantial completion date. Until then, the schedule is deemed unaccepted. Subsequently, KIWC submitted a revised schedule in September 2015 via an RFC for contract time extension. The re-sequencing of the guideway and road work contains significant changes in durations, logic, as well as activity modifications, and is currently being reviewed by HART. The revised schedule shows the guideway structure forecasted to be complete in April 2017 with completion of the roadway civil construction and the overall project in September 2017; this reflects a potential 12 month delay to the contractual substantial completion date.

KIWC continues to have challenges meeting schedule due to various factors including lower productivity and resource sharing between the KHG and WOFH projects.



CRITICAL PATH ISSUES:

- HECO schedule forecasts at utility conflicts 11-920-M1 and 8-860-M1 are affecting utility relocations work. HART is tracking this issue and notes that its criticality needs to be established.

WORK PROGRESS:

KHG Construction Status as of 2/12/16									
Utility Status	Qty to Date	Final Qty	% Complete	Structure Element	Total to Date	Planned to Date		Total Qty	% Complete
						Accepted Schedule *	Revised Schedule **		
Water Line	4,362	4,362	100%	Shafts	119	158	125	186	64%
Gas Line	12,641	12,641	100%	Columns	33	117	54	169	20%
Sewer Line	492	492	100%	Segment Casting	1,060	1,447	1,187	2,075	51%
Drainage	710	1,469	48%	Spans Stressed	11	105	13	166	7%
Elec/Telecom	15,961	19,455	82%						
Signals/ITS/Lights	13,587	18,486	74%						

* Accepted Schedule was submitted in 2013.
 ** These quantities are based on KIWC's pending August 2015 schedule revision dated Sept. 23, 2015. Revised schedule reflects a 12 month delay in completion.

Activities this Month:

Earned Value: 54.5% [(Total achieved to January 2016 (\$199.9 million) + February 2016 projection (\$12.1 million))/Total contract including executed Change Orders (\$389 million)]. Planned Value: 94.7%

Shaft/Column/Segments

- 119 of 186 shafts have been installed; 64% of all shafts have been completed on KHG.
- 33 of 169 columns have been constructed.
- 1,060 of 2,075 segments have been cast.
- Segment 276 suffered a damaged end flange as it was being set; a repair program is being developed for this condition. The segment has been set upon the columns and is stable. The truss has moved on to the next span.

Look Ahead:

Design Progress

- KIWC is working to complete final design. To date 42 of 49 drawing packages have been issued for construction.

Shaft/Column/Segments

- Construction of shafts will continue east of the H-1 overcrossing.
- Shaft construction in front of Pearl Kai Shopping Center should begin in March. This work was pushed back one month to allow the 400 series shafts to begin another heading for guideway construction.

Activities this Month (continued):

- Column construction has resumed, since WOFH columns are complete, and will continue to advance.
- Balanced Cantilever superstructure east of the H-1 overpass is continuing with Column 308. Stem wall and diaphragm are continuing on Column 307.
- Structures access in front of Waimalu Shopping Center will be installed.
- Construction of Balanced Cantilever stem wall and diaphragms are complete west of the H-1 overpass for pier 306. Crews placed the top deck and completed transverse post-tensioned top deck. Longitudinal post-tensioning will be ongoing as construction progresses.
- “C” pier columns at Shafts 277, 278 and 279 will have final post-tensioning, after guideway is placed atop “C” piers.

Utility Relocation Progress

- The relocation of HECO electrical lines and Hawaiian Telcom, Oceanic Time Warner and Intelligent Transportation Systems (ITS) duct banks is occurring in various phases along the alignment.
- Pile driving for traffic signal foundation has ceased due to crew reallocation to WOFH.
- System site 10 pad has been completed.

Roadway Widening

- Roadway widening has been placed on hold due to crews being moved to WOFH.

Look Ahead (continued):

Utility Relocation

- Acquisition of ROE for utility relocations is being pursued by HART and KIWC jointly, and meetings with property owners will continue.

Balanced Cantilever Structure

- Superstructure construction will continue at the BCS area.

Precast Yard

- KIWC will continue casting segments. Based on the current rate, the forecasted completion is June 2016.

Roadway Widening

- HART has issued RFCRs to the contractor for identified HDOT additional work. Work is anticipated to begin after issuance of a memorandum of understanding and change orders.

KEY ISSUES:

- **Night Noise Variance** – HART was notified by the Department of Health that backhoes and excavators will no longer be allowed for nighttime work due to improper use of the equipment at night and public complaints received. HART has requested reconsideration on behalf of the contractor and is awaiting a state DOH response. Additionally, permanent ITS work continues to be installed along the alignment, and traffic signal crews ceased construction due to nighttime noise restrictions.
- **HDOT Additional Work** – HART has issued eight RFCRs to date covering HDOT additional work, and have completed negotiations with KIWC, and have obtained scope and cost concurrence from HDOT. HART and HDOT are working in partnership to finalize the Memorandum of Understanding between HART and HDOT. The remainder of the additional work RFCR is still pending negotiations with KIWC and coordination with HDOT.

KIWC notified HART on Dec. 10, 2015, that they have halted all construction work activities related to HDOT Additional work until HART issues an executed change order for the out of scope work. HART is tracking this issue and notes that its criticality needs to be established.

- **Third Party Utility Impacts** – HART and KIWC continue to work at senior and executive management levels to ensure current utility relocation schedules are being maintained.
- **KIWC Resource Allocations** – Column construction has resumed in February.
- **Kohomua Septic Tank Remediation** – Kohomua septic tank has been remediated and filled with soil and grout. This allowed KIWC to drill Shafts 421 L&R and 422 L&R.

QUALITY MANAGEMENT:

- **Quality Process** – KIWC continues to follow an established quality process and have not encountered any significant new findings through quality audits.
- **Latest Construction Plans** – Current shaft, column, and footing construction is proceeding with only minor quality issues.
- **Drilled Shaft Quality** – KIWC currently has 6 open NCRs due to velocity reduction exceeding 10%. KIWC has been reviewing their means and methods for placing concrete to reduce the issue with velocity reduction.
- Segment 276 suffered a damaged end flange as it was being set; a repair program is being developed for this condition.

KHG NCR Log		
Total NCRs Issued To Date	CLOSED	OPEN
119	97	22

PROJECT PICTURES:



Rough setting Span 270, Phase 1.



BCS placing bottom slab, Phase 4.



Shaft 336 drilling at night, Phase 6.



Shaft 359 drilling at night, Phase 9.



Decorative column insert, Phase 12.



Excavation of Shaft 422R, Phase 13.

B. Ramp H2R2

Contract No.: DBB-385
Contractor: Royal Contracting Co. Ltd.
Contract Start Date: May 2015
Contract Substantial Completion: June 2016
Projected Substantial Completion: November 2016



Project Description: Ramp H2R2 is a loop ramp which connects in-bound Farrington Highway to in-bound Kamehameha Highway. The loop terminates just west of the intersection of Kamehameha Highway and Waihona Street.

Project Overview: Royal Contracting was awarded this project on May 4, 2015, and issued NTP on May 18, 2015. Construction duration is anticipated to be 13 months. Royal has not yet started construction due to delays in obtaining required permits and submittal of required documentation. The contractor has projected a substantial completion of November 2016; HART has requested a revised schedule for review and analysis.

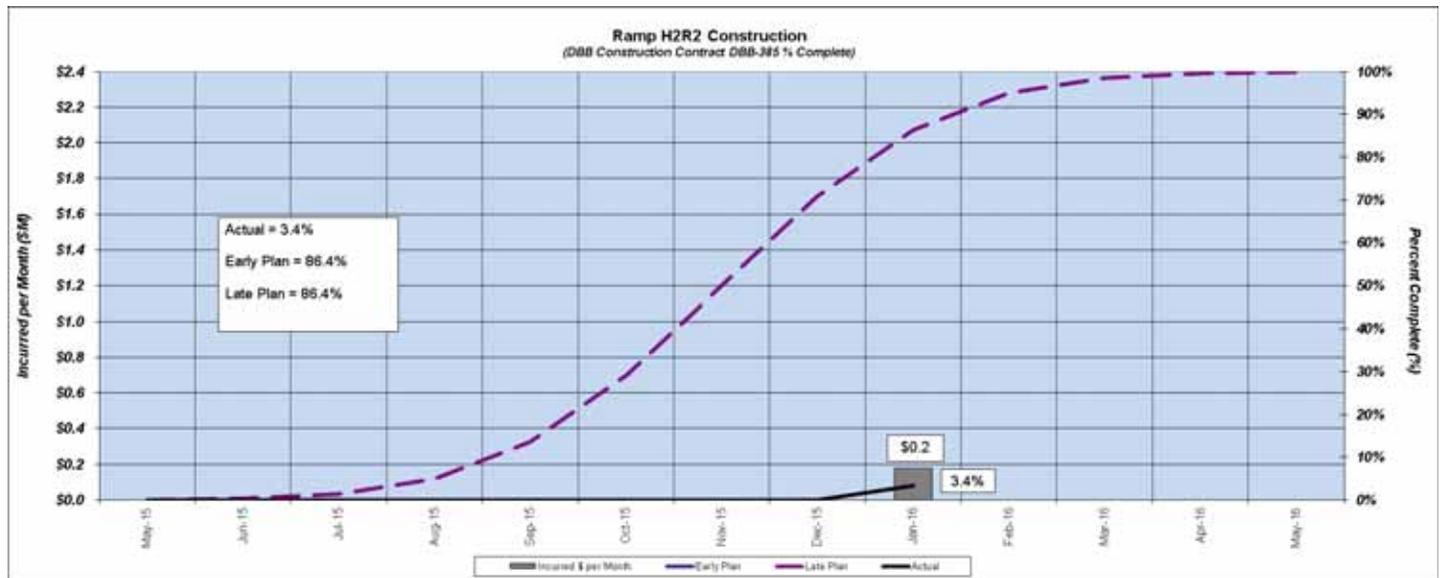
COST INFORMATION:

<u>Original Contract:</u>	<u>\$5,203,646</u>	<u>Incurred-to-Date:</u>	<u>\$177,345</u>
<u>Current Contract Value¹:</u>	<u>\$5,203,646</u>	<u>Incurred in January:</u>	<u>\$177,345</u>

¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$0
DBE % Attained:	0%

January Change Orders/Amendments		
Change No./Amend	Description	Amount (\$)
None	---	---
Cumulative to Date		\$0



The progress chart reflects early program expectations. When the overall schedule is rebaselined, the cost curve will be revised.

SCHEDULE:

January 2016 Update		Data Date: 29-Jan-16, Printed On: 09-Feb-16 12:21											
Activity Name	Start	Finish	2015				2016				2017		
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
Total	18-May-15 A	19-Aug-16											
West Guideways & Structures	18-May-15 A	19-Aug-16											
Construction - H2R2 Ramp	18-May-15 A	19-Aug-16											
Construction - H2R2 Ramp	18-May-15 A	19-Aug-16											
Substantial Completion - H2R2 Ramp		19-Aug-16											

CRITICAL PATH ISSUES:

- TMK 9-6-004:006 soils remediation area has been enlarged by DOH to now include approximately 200 cubic yards of soil remediation.
- HART and HDOT have worked through their concerns of the contaminated soils discovered on site. In February, HART received formal written notification that the issues have been resolved.

WORK PROGRESS:

Activities this Month:

Earned Value: 0%; Planned Value: 0%

- All Required Forms, Reports and Certifications are not yet approved.
- Baseline schedule is pending resubmittal by the contractor.
- Complete approval of contractor’s safety and security officer.

Look Ahead:

- Approval of all required submittals.
- Resolve all contaminated soil issues within the site.
- Commencement of construction activities is anticipated in March.

KEY ISSUES:

- Contractor to submit revised baseline schedule and complete all pre-construction submittal requirements.

QUALITY MANAGEMENT:

Ramp H2R2 NCR Log		
Total NCRs Issued To Date	CLOSED	OPEN
0	0	0

C. Kamehameha Highway Station Group (KHSB)

Contract No.: FD-340

Contractor: Anil Verma Associates, Inc. (AVA), Final Design Consultant (Engineer of Record)

Contract Start Date: November 2012

Construction Docs Bid-Ready:

Ramp H2R2: January 2015 (in construction)

Kamehameha Highway Stations: August 2015 (bids received)

Project Description: The Kamehameha Highway Stations Group FD Contract (KHSB) consists of architectural and engineering services for the design of three (3) transit stations serving the Kamehameha Highway Guideway. The three (3) stations comprising the KHSB contract are the Pearl Highlands Station, the Pearlridge Station, and the Aloha Stadium Station. The Pearl Highlands Station also includes two highway ramps.

Project Overview: The KHSB construction contract was awarded to Nan, Inc. on Jan. 27, 2016.

COST INFORMATION:

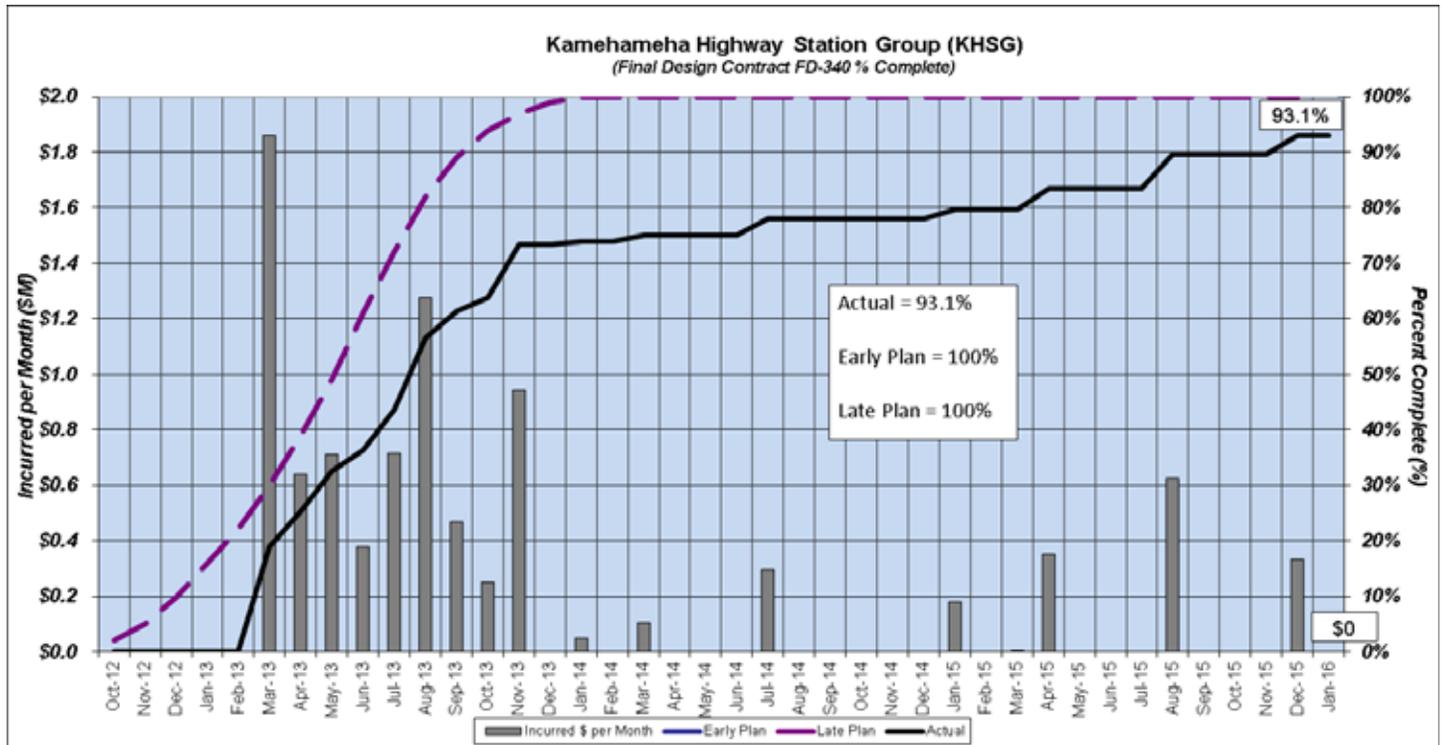
Original Contract:	\$8,702,592	Incurred-to-Date:	\$9,177,277
Current Contract Value ¹ :	\$9,859,290	Incurred in January:	\$0

¹Current Contract Value = Original contract value with Design Allowance + executed Change Orders



DBE Participation	
Actual DBE Participation:	\$3,820,005
DBE % Attained:	43.9%

January Change Orders/Amendments		
Change No./Amend	Description	Amount (\$)
None	---	---
Cumulative to Date		\$1,199,698



The progress chart reflects early program expectations. When the overall schedule is rebaselined, the cost curve will be revised.

The design phase of this contract is substantially complete.

SCHEDULE:

January 2016 Update			Data Date: 29-Jan-16, Printed On: 08-Feb-16															
Activity Name	Start	Finish	2015			2016				2017				2018				
			Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Design - Kamehameha Highway Station Group	16-May-14 A	02-Jul-18																
Design - Bid Support	16-May-14 A	22-Feb-16																
Design - Bid Support	16-May-14 A	22-Feb-16																
Design - Bid Support	16-May-14 A	22-Feb-16																
KHSG Design - Perform Final Design	16-May-14 A	22-Feb-16																
Design - Construction Support	23-Feb-16	02-Jul-18																
Design - Construction Support	23-Feb-16	02-Jul-18																
Design - Construction Support	23-Feb-16	02-Jul-18																
KHSG Design - Perform Final Design	23-Feb-16	02-Jul-18																
Construction - Kamehameha Highway Station Gr	01-Mar-16	02-Jul-18																
Pearl Highlands - Station	01-Mar-16	29-Jun-18																
Pearl Highlands - Station	01-Mar-16	29-Jun-18																
Pearl Highlands - Station	01-Mar-16	29-Jun-18																
Pearl Ridge Station	01-Jun-16	15-Jun-18																
Pearl Ridge Station	01-Jun-16	15-Jun-18																
Pearl Ridge Station	01-Jun-16	15-Jun-18																
Aloha Stadium Station	03-Oct-16	02-Jul-18																
Aloha Stadium Station	03-Oct-16	02-Jul-18																
Aloha Stadium Station	03-Oct-16	02-Jul-18																

CRITICAL PATH ISSUES:

- Obtaining final design approval from DPP.

WORK PROGRESS:

Activities this Month:

- Current earned value is approximately 99%.
- Finalized construction documents.

Look Ahead:

- N/A.

KEY ISSUES:

- N/A.

4.4 Section III – Airport: Aloha Stadium to Middle Street Transit Center Station

A. Airport Section Guideway and Utilities

Contract No.: FD-430

Contractor: AECOM Technical Services, Inc., Final Design Consultant (Engineer of Record)

Contract Start Date: January 2012

Currently in Construction:

- Airport Section Utilities (DBB-505 - Nan Inc.):
 - Construction NTP issued July 2014

Construction Completed:

- Airport 7-Piers (DBB-525 – Hawaiian Dredging):
 - Project acceptance on May 2, 2015; currently in project closeout

Project Description: The Airport Segment Guideway and Utilities contract consists of 5.2 miles of elevated transit guideway serving four (4) passenger stations, in addition to roadway widening, utility relocation, and other improvements to create space for these transit facilities. Two construction contracts have been split out and expedited from the larger Airport Section package. These two contracts are the expedited Airport Section Utilities (ASU) and expedited Airport 7-Piers (A7). For both of these expedited contracts, the design has been completed and construction is in progress (ASU) or completed (A7). The remaining scope of design has been terminated and will be completed under a design-build procurement.



Project Overview: The services under this contract are now limited to engineering support during construction, and support to HART during the design-build procurement.

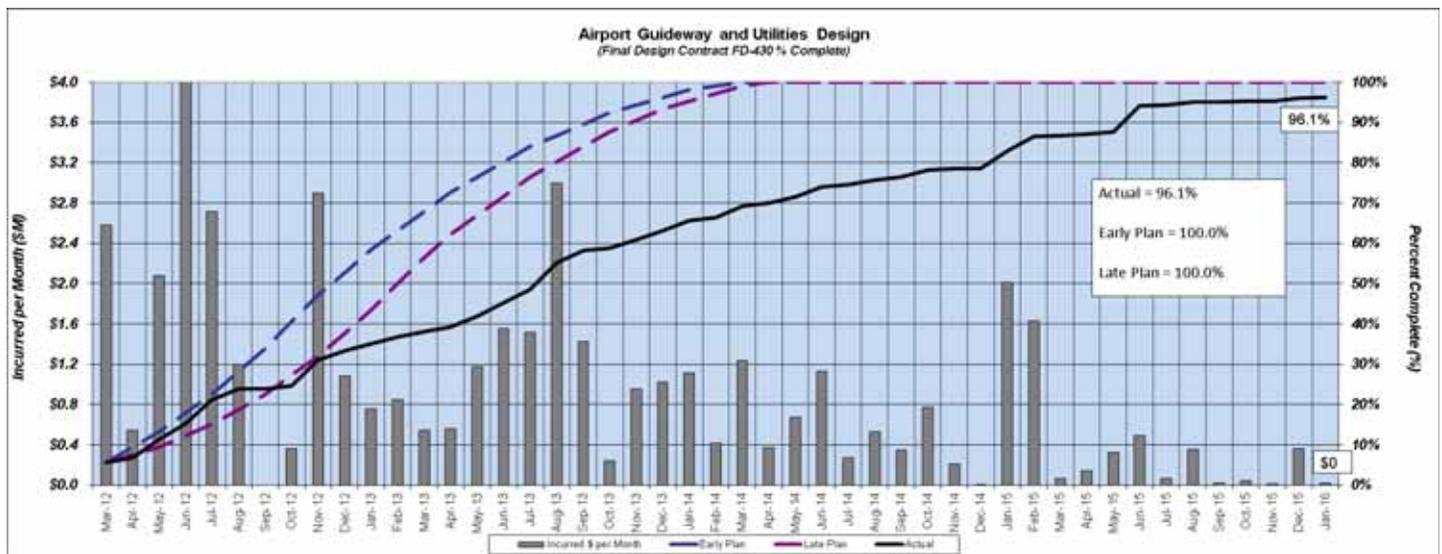
COST INFORMATION:

Original Contract:	\$38,840,960	Incurred-to-Date:	\$41,471,470
Current Contract Value ¹ :	\$43,134,472	Incurred in January:	\$24,309

¹Current Contract Value = Original contract value with Design Allowance + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$162,813
DBE % Attained:	0.42%

January Change Orders/Amendments		
Change No./Amend	Description	Amount (\$)
None	---	---
Cumulative to Date		\$4,293,512



The progress chart reflects early program expectations. When the overall schedule is rebaselined, the cost curve will be revised.

Due to the change in delivery method from DBB to DB, the final design will not be completed under this contract.

B. Airport Section Utilities Construction

Contract No.: DBB-505

Contractor: Nan, Inc.

Contract Start Date: July 2014

Contract Substantial Completion: March 7, 2016

Projected Substantial Completion: August/September 2016

Project Description: The Airport Utilities contract consists of relocation of a portion of utilities and some utility facilities that will be impacted by the construction of the HART aerial guideway and associated facilities between Aloha Stadium and Middle Street Transit Center. Specifically, the work involves construction of utility relocations affecting underground and overhead communications lines, Navy-owned electrical lines, fuel lines, gas lines, water lines, storm sewer lines, sanitary sewer lines and street light lines and poles/fixtures; HECO work is excluded from this contract. The work also includes installation of ITS (Intelligent Transportation Systems) facilities, to maintain traffic during construction, and other site improvements. Erosion control measures, temporary planting, permanent irrigation facilities and restoration of existing facilities are also incorporated into the contractor’s scope of work.



Project Overview: Nan, Inc. continues with utility relocation work along Kamehameha Highway. A contract change order has been executed to extend the substantial completion date to March 7, 2016. Approval of a modified Traffic Control Plan allows the contractor to have additional time to perform work during the day. Nan is also working closely with the Navy in resolving various duct bank and utility issues discovered in the field, including unclaimed / unidentified power lines along Kamehameha Highway. Meanwhile, Nan, Inc. continues to develop and submit outstanding submittals.

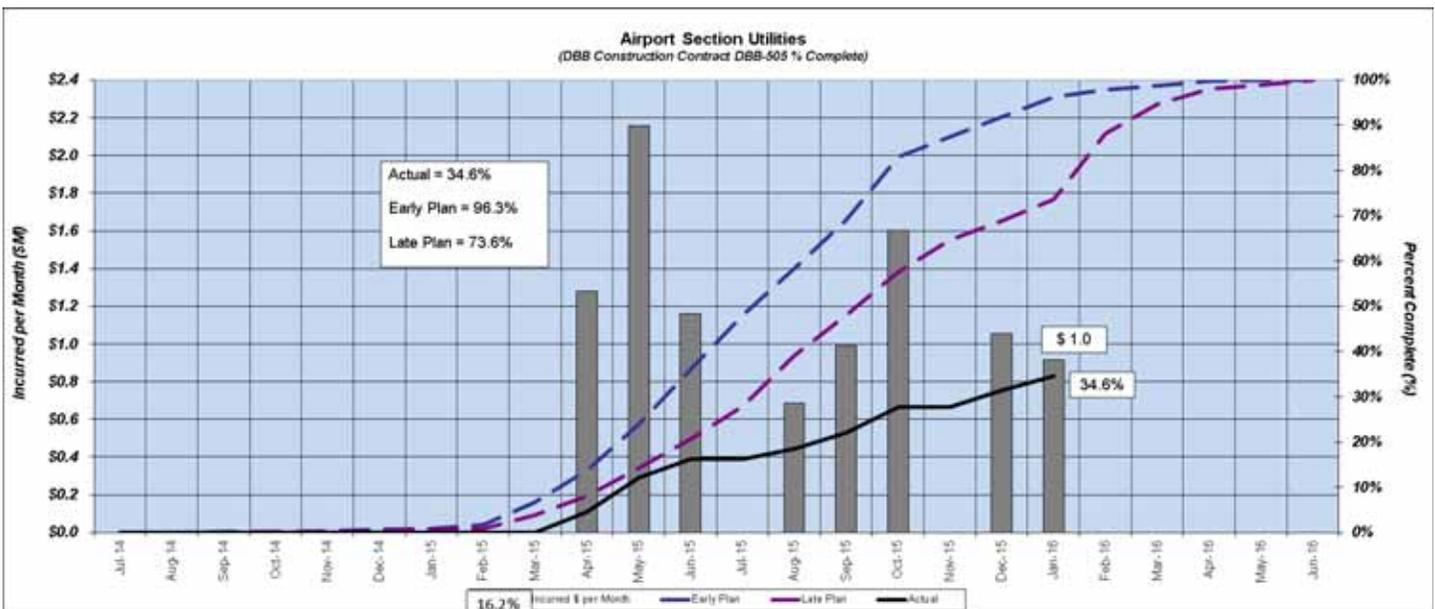
COST INFORMATION:

<u>Original Contract:</u>	<u>\$27,993,290</u>	<u>Incurred-to-Date:</u>	<u>\$9,844,953</u>
<u>Current Contract Value¹:</u>	<u>\$27,993,290</u>	<u>Incurred in January:</u>	<u>\$914,592</u>

¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$34,988
DBE % Attained:	0.12%

January Change Orders		
Change No.	Description	Amount (\$)
None	---	---
Cumulative to Date		\$0



The progress chart reflects early program expectations. When the overall schedule is rebaselined, the cost curve will be revised.

C. Airport Section Guideway Seven Pier Construction

Contract No.: DBB-525

Contractor: HDCC/CJA JV

Contract Start Date: September 2014

Contract Substantial Completion: April 24, 2015

Declared Substantial Completion: April 22, 2015

Project Description: The Airport 7-piers contract consists of seven drilled shaft foundations installed within the Honolulu International Airport Parking lot "J", where the new Interim Car Rental Facility (CONRAC) is also being constructed. The contractor has installed seven foundations for piers 546, 547, 548, 549, 550, 551R and 552R. This work involved close coordination with the HDOT Airport and Kiewit, who is the contractor for CONRAC. In addition to the pier work, existing utility relocations have been included at Piers 546, 548, 549 and 550, under Change Amendment 1.



Project Overview: HDCC/CJA JV substantially completed the project on April 22, 2015. The site, along with maintenance of existing BMPs and traffic control measures were turned over to the HDOT-A. Generated punch list items were completed and accepted as of May 2, 2015, by HDOT-A. The project is currently in a close out phase; final change orders have been executed.

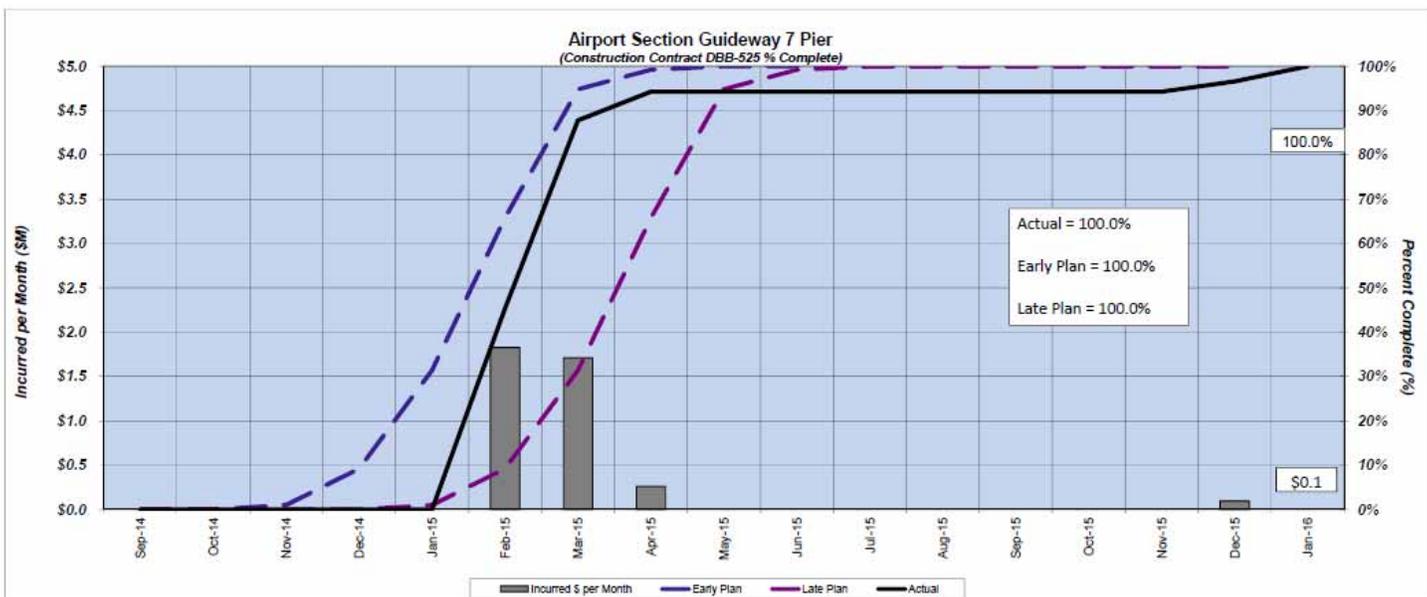
COST INFORMATION:

<u>Original Contract:</u>	<u>\$3,973,000</u>	<u>Incurred-to-Date:</u>	<u>\$4,027,843</u>
<u>Current Contract Value¹:</u>	<u>\$4,027,843</u>	<u>Incurred in January:</u>	<u>\$138,410</u>

¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$0
DBE % Attained:	0%

January Change Orders		
Change No.	Description	Amount (\$)
CCO 004	Adjustment for Unused Allowance	(\$521,728)
CCO 005	CMP Elevation Change	\$68,330
Cumulative to Date		\$54,843



The progress chart reflects early program expectations. When the overall schedule is rebaselined, the cost curve will be revised.

CRITICAL PATH ISSUES:

- None - All construction work has been completed and Change Orders have recently been executed. Project close out and final invoicing is in progress.
-

WORK PROGRESS:Activities this Month:

Earned Value: 100%; Planned Value: 100%

- HDCC/CJA JV have submitted their final billing prior to close out; retention will be returned upon close out.

Look Ahead:

- HDCC/CJA JV has the following items to submit for Contract Closeout:
 - Provide Release of Liens.
 - Submit final DBE forms.
 - Submit final invoice.
-

KEY ISSUES:

- None.

D. Airport Station Group (ASG)

Contract No.: FD-440

Contractor: AECOM Technical Services, Inc., Final Design Consultant (Engineer of Record)

Contract Start Date: November 2012

Construction Docs Bid-Ready: N/A



Project Description: Architectural and engineering services for the design of four (4) transit stations serving the Airport Guideway. The four (4) stations comprising the ASG contract are the Pearl Harbor Naval Base Station, the Honolulu International Airport Station, the Lagoon Drive Station, and the Middle Street Station.

Project Overview: These four stations have been combined with the guideway into a single Airport Guideway and Stations Design-Build (DB) package.

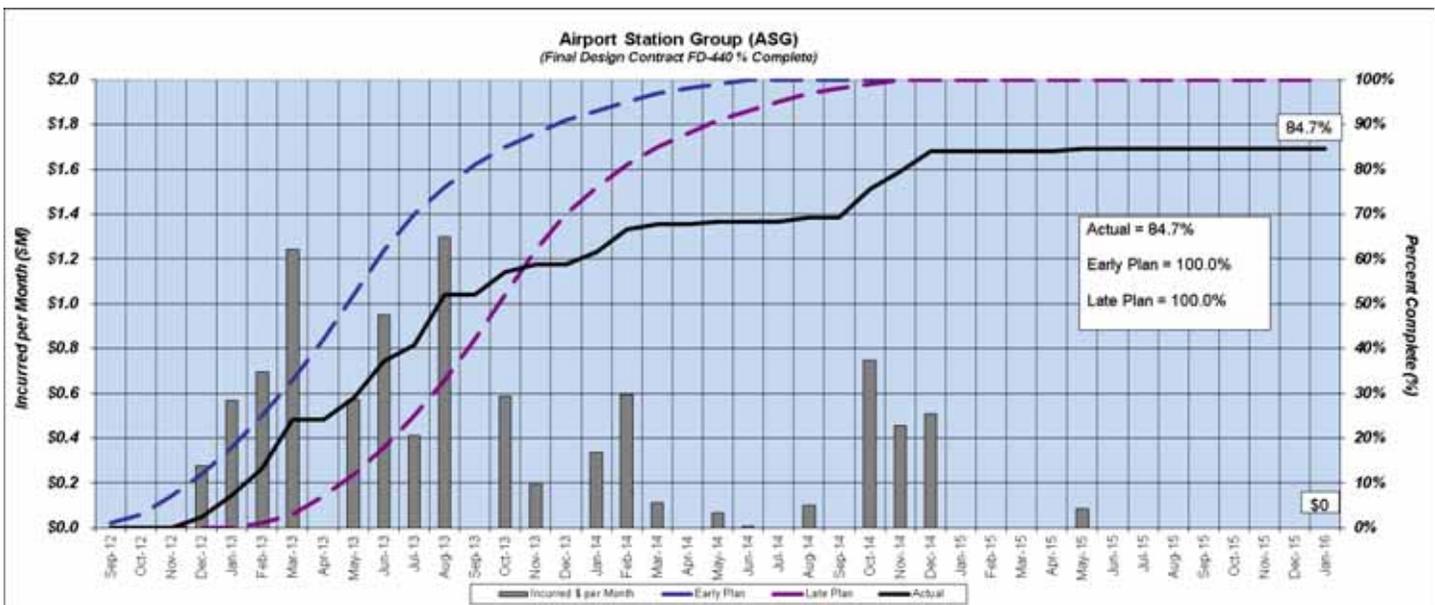
COST INFORMATION:

<u>Original Contract:</u>	<u>\$10,177,365</u>	<u>Incurred-to-Date:</u>	<u>\$9,801,978</u>
<u>Current Contract Value¹:</u>	<u>\$11,573,852</u>	<u>Incurred in January:</u>	<u>\$0</u>

¹Current Contract Value = Original contract value with Design Allowance + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$234,761
DBE % Attained:	2.31%

January Change Orders		
Change No.	Description	Amount (\$)
None	---	---
Cumulative to Date		\$1,416,487



The progress chart reflects early program expectations. When the overall schedule is rebaselined, the cost curve will be revised.

Due to the change in procurement strategy from DBB to DB, the design of the Airport Stations Group will not be advanced to completion under this contract.

CRITICAL PATH ISSUES:

- N/A.
-

WORK PROGRESS:

Activities this Month:

- Current earned value is approximately 88% and is not anticipated to increase significantly due to the suspension of design activities.

Look Ahead:

- N/A.
-

KEY ISSUES:

- N/A.

4.5 Section IV – City Center: Middle Street Transit Center Station to Ala Moana Center

A. City Center Section Guideway and Utilities

Contract No.: FD-530

Contractor: AECOM Technical Services, Inc., Final Design Consultant
(Engineer of Record)

Contract Start Date: July 2012

Project Description: The City Center Guideway and Utilities final design contract consists of 4.2 miles of elevated transit guideway serving eight (8) passenger stations, in addition to roadway widening, utility relocation, and other improvements to facilitate construction of the guideway.



Project Overview: This section of the guideway has been combined with eight (8) stations into a single City Center Guideway and Stations (CCGS) Design-Build package. The services remaining under this contract include preparation of early utilities designs, and support to HART during design-build procurement.

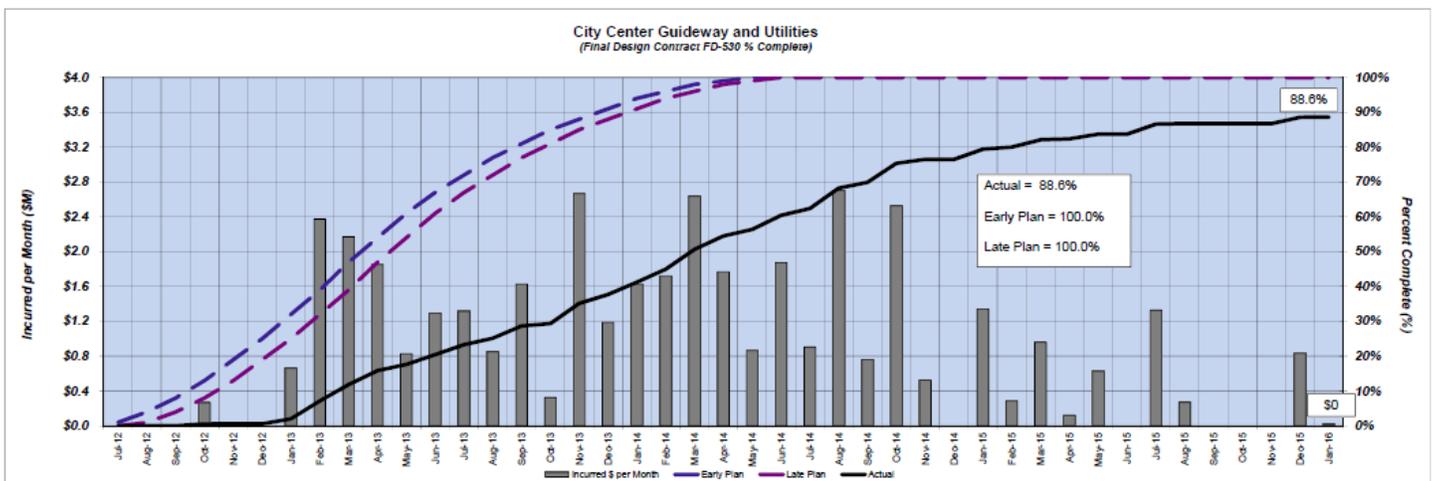
COST INFORMATION:

Original Contract:	\$43,948,220	Incurred-to-Date:	\$40,930,503
Current Contract Value ¹ :	\$46,197,562	Incurred in January:	\$21,550

¹Current Contract Value = Original contract value with Design Allowance + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$191,227
DBE % Attained:	0.44%

January Change Orders/Amendments		
Change No./Amend	Description	Amount (\$)
None	---	---
Cumulative to Date		\$1,296,842



The progress chart reflects early program expectations. When the overall schedule is rebaselined, the cost curve will be revised.

Due to the change in delivery method from DBB to DB, the final design will not be completed under this contract.

SCHEDULE:

January 2016 Update			Data Date: 29-Jan-16, Printed On: 19-Feb-16											
Activity Name	Start	Finish	2014	2015	2016	2017	2018	2019	2020	2021	2022			
City Center Guideway & Stations (CCGS)	25-Sep-15 A	03-Dec-20	Q	Q	Q	Q	Q	Q	Q	Q	Q			
City Center Guideway & Stations - Design Build Procurement Part 1	25-Sep-15 A	31-Mar-16												
City Center Guideway & Stations - Design Build Procurement Part 2	01-Apr-16	02-Oct-16												
DB-550 City Center Guideway & Stations - Construction	03-Oct-16	03-Dec-20												

CRITICAL PATH ISSUES:

- N/A.

WORK PROGRESS:

Activities this Month:

- Current earned value is approximately 92%.
- Supporting HART on DB procurement.

Look Ahead:

- N/A.

KEY ISSUES:

- N/A.

B. Dillingham and Kaka’ako Station Group (DKSG)



Contract No.: FD-550

Contractor: Perkins+Will (P+W), Final Design Consultant (Engineer of Record)

Contract Start Date: August 2013

Construction Docs Bid-Ready: N/A

Project Description: Design of eight (8) stations for the fourth and final phase of the current project that will connect Dillingham Boulevard to Ala Moana Center.

Project Overview: The DKSG stations have been combined with the City Center Guideway into a single City Center Guideway and Stations Design-Build package.

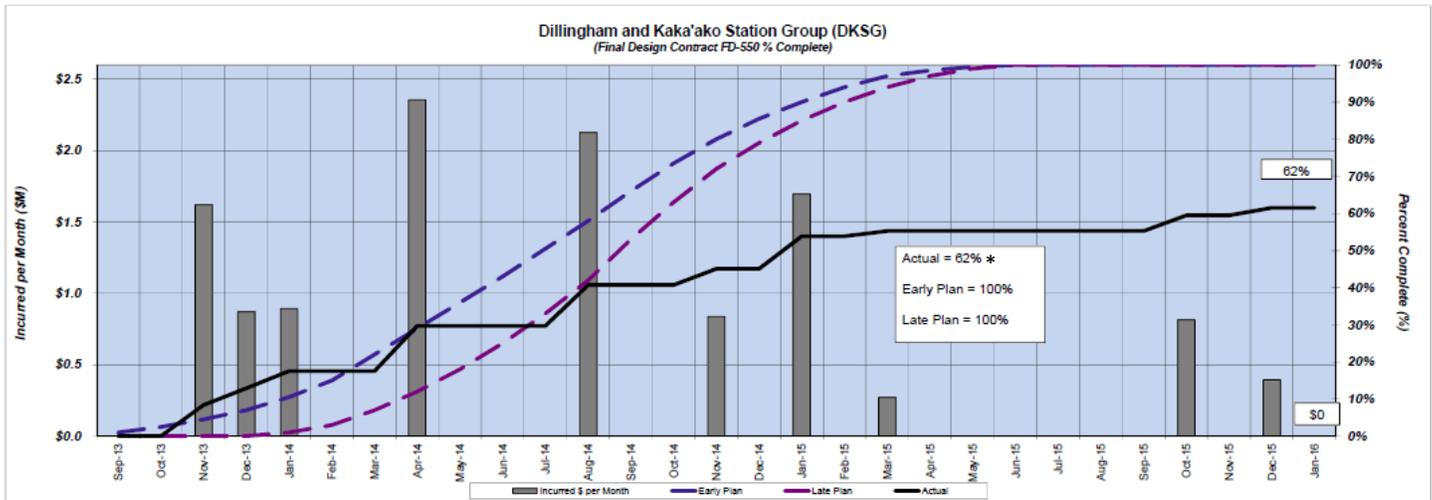
COST INFORMATION:

Original Contract:	\$18,321,918	Incurred-to-Date:	\$11,875,668
Current Contract Value ¹ :	\$19,308,042	Incurred in January:	\$0

¹Current Contract Value = Original contract value with Design Allowance + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$0
DBE % Attained:	0%

January Change Orders		
Change No.	Description	Amount (\$)
None	---	---
Cumulative to Date		\$1,046,743



The progress chart reflects early program expectations. When the overall schedule is rebaselined, the cost curve will be revised.

* Change orders not previously accounted for in the chart lowered the actual percentage of completion.

Due to the change from a DBB to a DB delivery method, the design for these stations has been suspended and will not be completed under this contract.

CRITICAL PATH ISSUES:

- N/A.
-

WORK PROGRESS:

Activities this Month:

- Current earned value is approximately 68% and is not expected to increase significantly due to the suspension of design activities on this contract.

Look Ahead:

- N/A.
-

KEY ISSUES:

- N/A.

4.6 Project-Wide

A. Program Management Support Consultant-2 (PMSC-2)

Contract No.: MM-901

Contractor: InfraConsult LLC

Contract Start Date: March 8, 2012

Contract Completion: March 7, 2016, with option to renew contract one additional year

Project Description: Provide program management support services in the areas of elevated guideway engineering, rail station design, construction management, project management, environmental planning, federal programmatic requirements, and other services for the Honolulu Rail Transit Project.

COST INFORMATION:

Original Contract:	\$33,376,897	Incurred-to-Date:	\$38,296,561
Current Contract Value ¹ :	\$40,993,274	Incurred in January:	\$817,053

¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$0
DBE % Attained:	0%

January Change Orders		
Change No.	Description	Amount (\$)
None	---	---
Cumulative to Date		\$7,616,377



KEY ISSUES:

- HART intends to exercise its option to extend the PMSC contract for the remaining option year, effective March 8, 2016. The current contract will terminate upon award of contract to the successful offeror of the new Request for Qualifications that will be advertised or one year from March 8, 2016, whichever is earlier.

B. General Engineering Consultant III (GEC-3)

Contract No.: MM-913

Contractor: CH2M HILL

Contract Start Date: December 2013

Contract Completion: April 2019, with option to extend for up to three (3) additional years

Project Description: HART GEC III support services include: schedule and estimating, interface coordination, environmental and planning, design management support services, and program management (aka GEC III contract project management).

Project Overview: The GEC III is supporting HART with procurement packages, review of independent cost estimates, evaluation of east segment schedules, and developing Hawaiian Electric Facility avoidance and minimization impact alternatives.

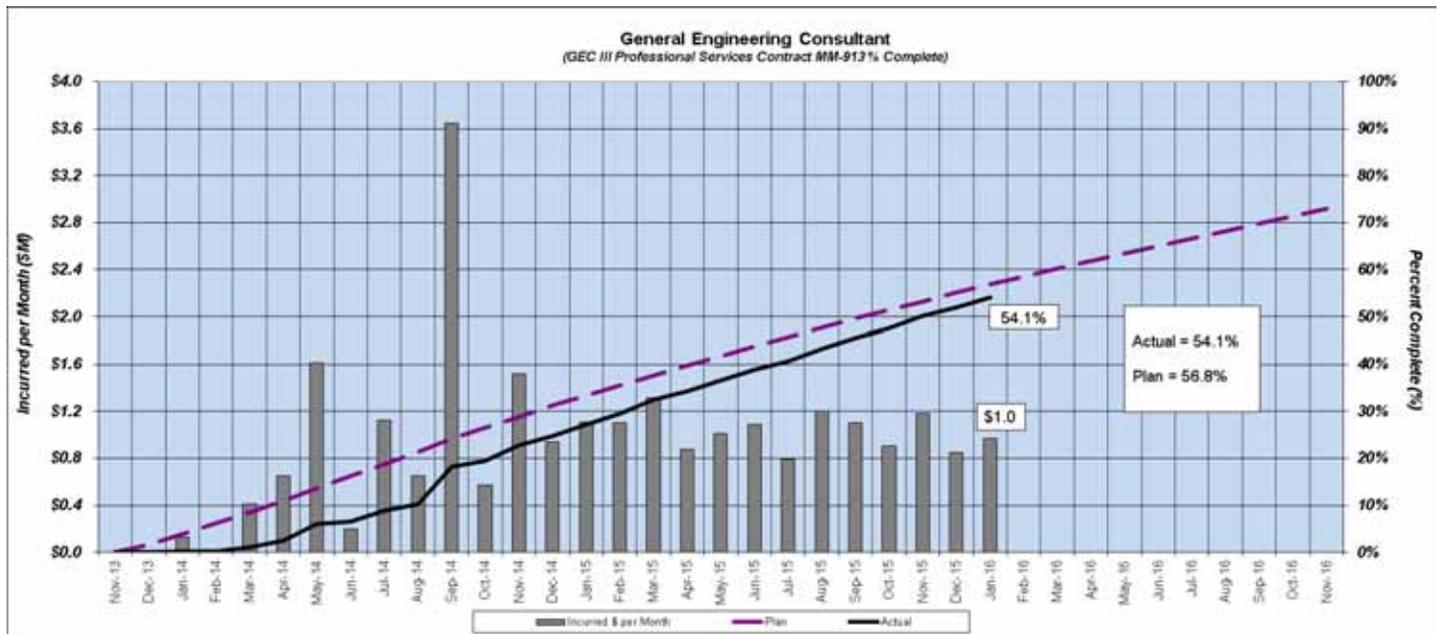
COST INFORMATION:

<u>Original Contract:</u>	<u>\$46,143,277</u>	<u>Incurred-to-Date:</u>	<u>\$24,952,730</u>
<u>Current Contract Value¹:</u>	<u>\$46,411,728</u>	<u>Incurred in January:</u>	<u>\$969,814</u>

¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$1,970,775
DBE % Attained:	4.27%

January Change Orders		
Change No.	Description	Amount (\$)
None	---	---
Cumulative to Date		\$268,451



KEY ISSUES:

- Integrating schedule estimates for interim opening and revenue service opening with financial forecast and estimate to complete of contracted work.
- Participate in task force to develop alternatives to meet clearance requirements for Hawaiian Electric facilities.
- Continue progress on Historic Context Studies and permits.
- Provide support to procurement for KHSG, Airport Guideway and Stations (AGS), and City Center Guideway and Stations (CCGS).

C. Construction Engineering & Inspection West Side Sections

Contract No.: MM-290

Contractor: PGH Wong Engineering, Inc.

Contract Start Date: January 2014

Contract Completion: January 2020

Projected Substantial Completion: December 2018

Project Description: The West Side Section CE&I (West CE&I) team is providing Construction Engineering and Inspection Services (CE&I) for the West Section, which includes aerial guideway, stations, maintenance & storage facility, and garage & transit center from East Kapolei in West O’ahu to Aloha Stadium, of the 20-mile Honolulu Rail Transit Project (HRT) for the Honolulu Authority for Rapid Transportation (HART).

The West CE&I team provides HART staff augmentation for construction management and administration services to monitor and observe the design-build and design-bid-build construction work such that the projects are constructed in general conformity with the plans, specifications, and special provisions for the WOFH, KHG, MSF, west section station group’s and PHGT contracts. These CE&I services also include: constructability review, resident engineering, on-site field oversight, project controls, scheduling review, change management, cost control, document controls, contract administration, construction cost estimating, environmental monitoring, surveying, material testing, interface coordination and claims analysis.

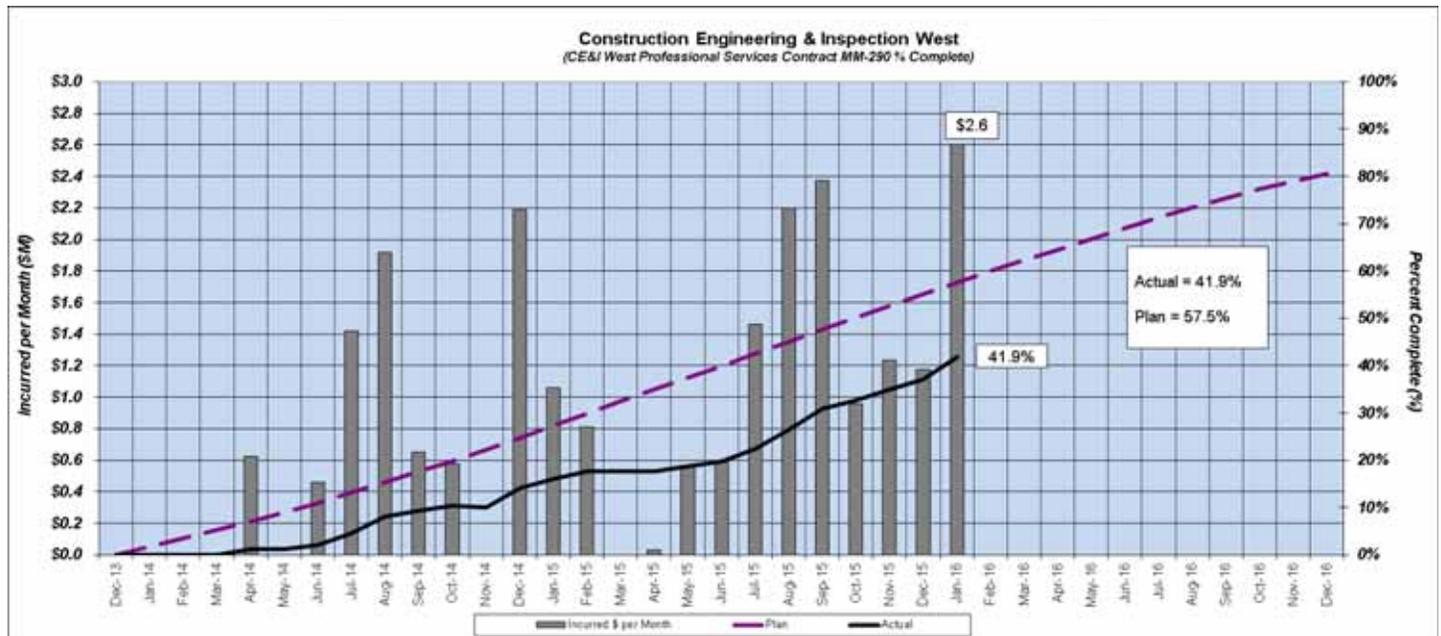
COST INFORMATION:

<u>Original Contract:</u>	<u>\$54,232,480</u>	<u>Incurred-to-Date:</u>	<u>\$22,739,487</u>
<u>Current Contract Value¹:</u>	<u>\$54,232,480</u>	<u>Incurred in January:</u>	<u>\$2,603,758</u>

¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$2,172,602
DBE % Attained:	4%

January Change Orders		
Change No.	Description	Amount (\$)
None	---	---
Cumulative to Date		\$0



KEY ISSUES:

- CE&I West Side Section completed the HART-requested ICE for the Pearl Highlands Parking Garage and Transit Center to support discussion on next steps for the project.
- In the process of establishing a combined field office space in the MOW building at MSF to support the staffing requirements for the west section station group’s multiple procurement contracts.
- Schedule durations for the guideway and stations contracts need to be aligned with anticipated West CE&I staffing durations.

D. Construction Engineering & Inspection East Side Sections

Contract No.: MM-595

Contractor: URS Corporation

Contract Start Date: January 2014

Contract Completion: December 2015 (MOD no. 1)

Substantial Completion: October 2015

Project Description: The URS team provided Construction Engineering and Inspection Services (CE&I) for the east section of the Honolulu Rail Transit Project (H RTP) for the Honolulu Authority for Rapid Transportation (HART).

CE&I services included: constructability review, resident engineering, construction observation, project controls, scheduling, change management, cost control, document controls, contract administration, estimating, environmental monitoring, surveying, material testing, interface coordination, geographic information system (GIS) support and claims analysis. The primary role of the URS team was to inform the HART project manager of any significant omissions, substitutions, defects, and deficiencies noted in the work of the contractor and the corrective action that has been directed by HART to be performed by the contractor.

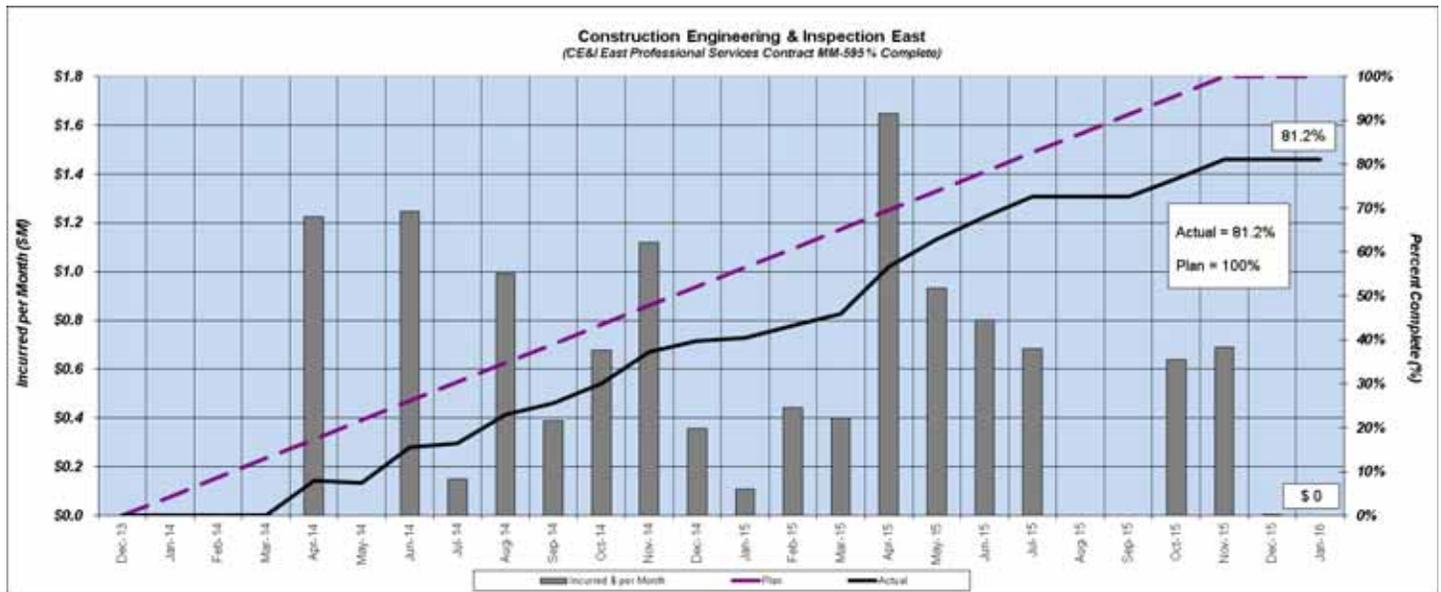
COST INFORMATION:

<u>Original Contract:</u>	<u>\$63,083,417</u>	<u>Incurred-to-Date:</u>	<u>\$12,382,150</u>
<u>Current Contract Value¹:</u>	<u>\$15,257,000</u>	<u>Incurred in January:</u>	<u>\$0</u>

¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$1,580,725
DBE % Attained:	10.36%

January Change Orders		
Change No.	Description	Amount (\$)
None	---	---
Cumulative to Date		-\$47,826,417



KEY ISSUES:

- The new CE&I consultant for the East Section was issued NTP in September 2015. All URS field staff was successfully transitioned off of the project in October 2015, and the final closeout of the URS contract is ongoing. Once the contract is closed, this contract page will be removed from the Progress Report.

E. Construction Engineering & Inspection (CE&I) II Contract

Contract No.: MM-596

Contractor: Stantec Consulting Services Inc.

Contract Start Date: September 2015

Contract Completion: December 2019

Projected Substantial Completion: December 2019

Project Description: The Stantec team is responsible for the Construction, Engineering and Inspection (CE&I) services for the East Section of the Honolulu Rail Transit Project (H RTP) for the Honolulu Authority for Rapid Transportation (HART). The Stantec team is providing services from the preconstruction phase through construction closeout. CE&I II services include: constructability review, resident engineering, construction observation, project controls, scheduling, change management, cost control, document controls, contract administration, estimating, environmental monitoring, surveying, material testing, interface coordination, geographic information system (GIS) support, and claims analysis for the Airport Guideway and Stations design-build contract, City Center Guideway and Stations design-build contract, Airport Section Utilities Construction contract, Dillingham utilities, Elevators and Escalators Design-Furnish-Install-Maintain contract (construction phase only) and Construction On-Call II work. The primary role of the Stantec team is to inform the HART Project Manager of any significant omissions, substitutions, defects, and deficiencies noted in the work of the contractor and the corrective action that has been directed by HART to be performed by the contractor.

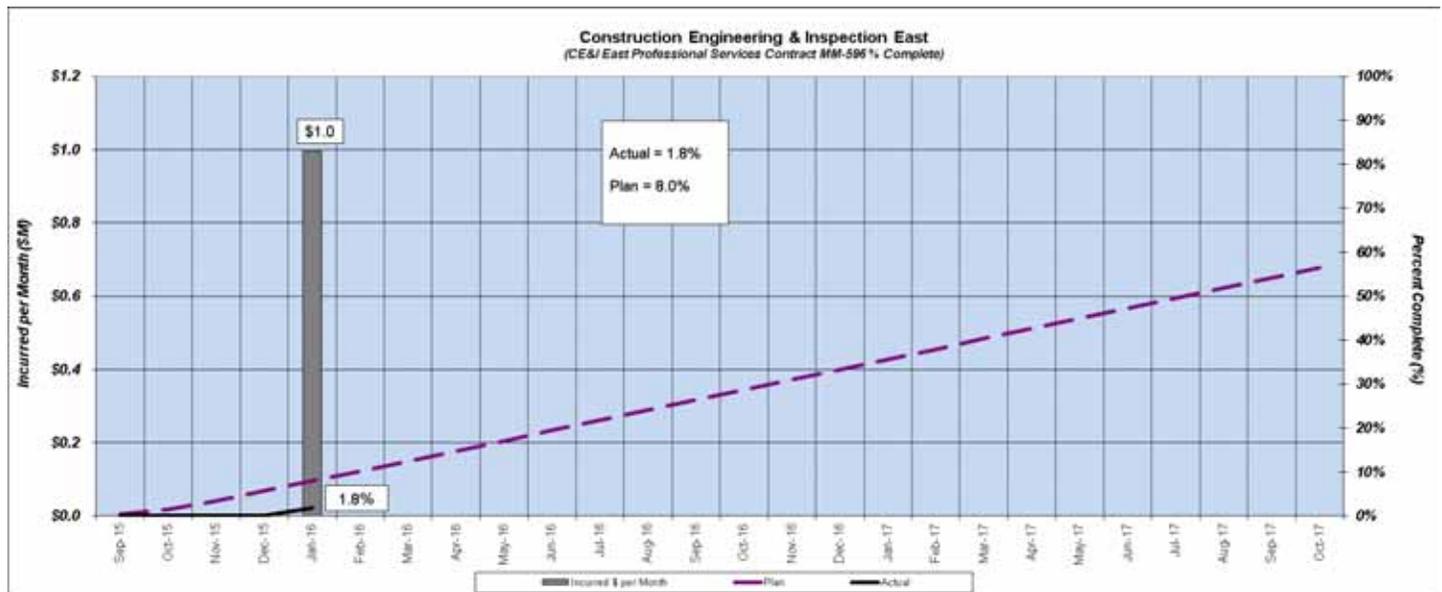
COST INFORMATION:

Original Contract:	\$55,036,130	Incurred-to-Date:	\$994,809
Current Contract Value ¹ :	\$55,036,130	Incurred in January:	\$994,809

¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$0
DBE % Attained:	0%

January Change Orders		
Change No.	Description	Amount (\$)
None	---	---
Cumulative to Date		\$0



KEY ISSUES:

- HART has requested an Independent Cost Estimate (ICE) and schedule analysis be performed on the Airport Guideway and Stations DB contract, Dillingham utilities, and the City Center Guideway and Stations DB contract. These reviews are currently in process, and are being delivered to HART beginning in February 2016 and continuing through April 2016.
- Invoicing coordination has been completed between Stantec and HART, and (2) invoices have been successfully submitted for processing through CMS. Invoices will be done monthly, going forward, with no delays.

F. Core Systems Contract Oversight Consultant

Contract No.: MM-962

Contractor: Lea+Elliott, Inc.

Contract Start Date: February 2014

Contract Completion: August 2019

Projected Substantial Completion: N/A

Project Description: Provide professional services for design and construction management and testing/commissioning oversight of the Core Systems Design-Build-Operate-Maintain (DBOM) contract. The major systems of the Core Systems DBOM contract are the vehicles, automated train control (ATC) system, traction electrification system, communications system, and platform screen gate system (PSGS). Services include review and approval of design submittals, manufacturing oversight, installation oversight, operation/maintenance design oversight and support, system testing/acceptance, and contract close-out.

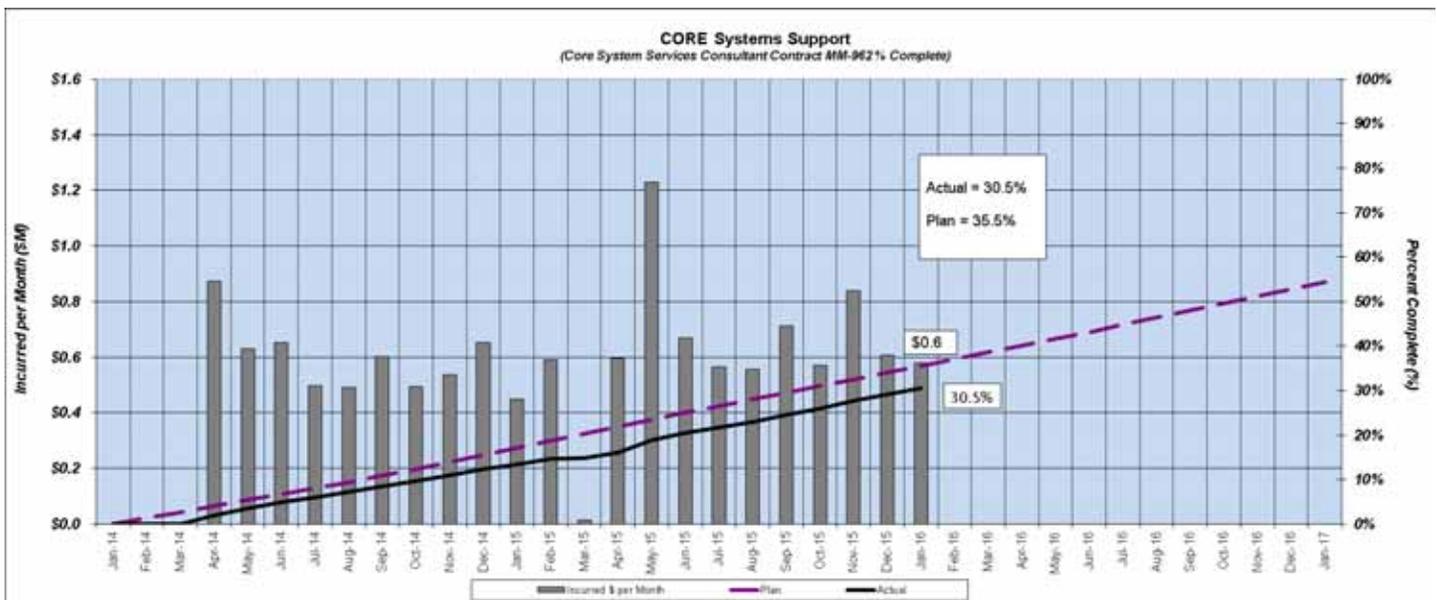
COST INFORMATION:

<u>Original Contract:</u>	<u>\$43,988,989</u>	<u>Incurred-to-Date:</u>	<u>\$13,409,220</u>
<u>Current Contract Value¹:</u>	<u>\$43,988,989</u>	<u>Incurred in January:</u>	<u>\$578,916</u>

¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$319,949
DBE % Attained:	0.73%

January Change Orders		
Change No.	Description	Amount (\$)
None	---	---
Cumulative to Date		\$0



KEY ISSUES:

- Coordination with other contractors on construction access milestones.
- Review and acceptance of procedures for factory acceptance tests.
- Design review completion with respect to manufacturing, fabrication and test schedule.

G. On-Call Construction Contractor

Contract No.: MM-945

Contractor: Royal Contracting Co. Ltd.

Contract Start Date: August 2014

Contract Completion: July 2019

Projected Substantial Completion: The On-Call Contract is Task Order based with each Task Order having a specific Substantial Completion date.

Project Description: The On-Call Contract performs tasks not generally covered in the general construction contracts. These activities include demolition of structures; repairs to existing HART facilities; relocation of trees and other minor facilities such as bus stops, street lighting, etc.; minor civil/utility work, and repair of third-party facilities such as road repair/patching as requested by HDOT in the HART right-of-way and as allowed by third-party agreements. The intent of the On-Call Contract is to provide HART a contractual tool to address those required work items not easily addressed by the general contractors working to specific scopes.

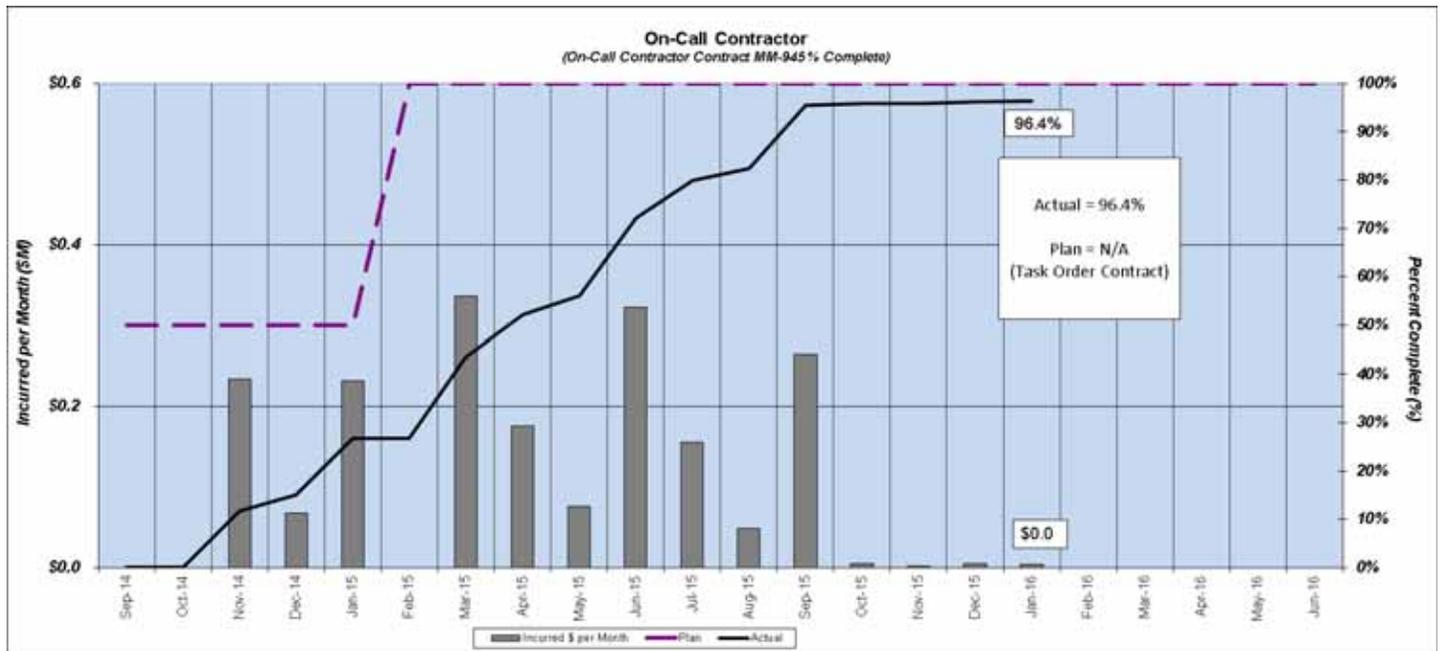
COST INFORMATION:

<u>Original Contract:</u>	<u>\$1,000,000</u>	<u>Incurred-to-Date:</u>	<u>\$1,927,308</u>
<u>Current Contract Value¹:</u>	<u>\$2,000,000</u>	<u>Incurred in January:</u>	<u>\$4,340</u>

¹Current Contract Value = Original contract value + executed Change Orders

DBE Participation	
Actual DBE Participation:	\$460,024
DBE % Attained:	23%

January Change Orders		
Change No.	Description	Amount (\$)
None	---	---
Cumulative to Date		\$1,000,000



KEY ISSUES:

- To date, the On-Call Contractor has successfully:
 - Continued to relocate/remove trees along the Airport and City Center guideway.
 - Repaired/protected multiple facilities owned by HART.
- The On-Call Contractor is in the process of working with HART’s right-of-way group and owners in providing cost to cure solutions to properties which will need modification in achieving cleared right-of-way in the Airport and City Center sections of the guideway.
- New buildings and structures are being identified that require demolition. All demolition work includes the abatement of any hazardous materials identified prior to demolition. Demolition is expected to resume in July 2016, once the current tenant has relocated from the building.
- Maintenance of landscaping along Kamehameha Highway continued during the month of February.
- Continued to support the Core Systems contractor for work at MSF.
- Continued to support the Airport Utility contractors work by performing asbestos abatement.

5 OVERALL PROJECT-WIDE ACTIVITIES

Permits (Section 5.1)

OVERVIEW

- HART and Kiewit have updated the noise management procedures for the West O'ahu/Farrington (WOFH) and Kamehameha Highway Guideway (KHG) sections.

KEY ISSUES

- HART has completed an ambient noise study in the Airport and City Center sections to establish the baseline noise levels.

Hawai'i Department of Transportation (HDOT) Agreements (Section 5.2)

OVERVIEW

- Ongoing coordination for Intelligent Transportation Systems (ITS), Maintenance of Traffic (MOT) and final operational expectations. Temporary ITS is fully operational and temporary Closed Circuit Cameras are in place to observe traffic and make appropriate adjustments to signal timing as necessary. Signal timing, in most cases, is maximized in the westbound direction during the afternoon peak. HART has been coordinating with DTS on adjustments.

KEY ISSUES

- Discussions begin with HDOT to include project funding for betterments being requested by HDOT. An MOU is drafted and being transmitted for HDOT comment.
- Ensure all agreement requirements have been met for HDOT Airports.

Utility Agreements (Section 5.3)

OVERVIEW

- Draft City Center Construction Agreements have been issued to HTI, TW telecom, and Oceanic for review and comment. Awaiting information from the utilities to finalize the outstanding agreements.

KEY ISSUES

- HART continues to address multiple issues with HECO that may affect the design and construction of planned work. HART is continuing to meet with HECO on a weekly basis to resolve the issues. Executive meetings continue to include HART's Executive Director and CEO, and HECO's President.

Right-of-Way (Section 5.4)

(Data as of Feb. 11, 2016)

OVERVIEW

- Currently, there are no ROW actions impeding construction work. The right to access and construct has been obtained for nearly 14 million square feet or nearly 95% of the total square footage that is required for the project. The ROW team continues to seek construction related access on identified parcels, which may include eminent domain proceedings, and to work on final disposition of identified parcels needed for construction.

KEY ISSUES

- Supporting negotiations to execute third-party agreement with UH Honolulu Community College to allow construction to proceed without delay.
- Supporting negotiations to obtain right of entry from Aloha Stadium for station park-and-ride construction.
- Working with the Federal government to complete documentation for easements, and for the conveyance documents to expedite the transfer of TMK 9-9-002-004.
- Eminent domain
 - The HART Board initiated forty-seven (47) eminent domain cases of which three (3) cases were withheld due to revisions. The Honolulu City Council process was completed and two (2) cases were rejected. There are two (2) active cases on file with the court for eminent domain proceedings.
 - Two (2) additional cases were initiated in January 2016. The HART Board approved the resolutions which were forwarded to the Honolulu City Council. HART anticipates bringing these back to the HART Board for their March meeting.
 - HART continues to negotiate with each property owner in an attempt to reach mutual agreement. However, several more parcels may be proposed to the HART Board of Directors for eminent domain to support east Design Build contracts.

5.1 Permits

- **Permits Submitted and In-Progress**

- HART submitted the KHG Community Noise Permit continuance for daytime construction from Pearl Highlands to Aloha Stadium.
- HART submitted the revised Essential Fish Habitat Assessment to the Federal Transit Administration for concurrence.

- **Permits and Approvals Granted**

- HART received the HDOT approved Municipal Separate Storm Sewer System permit for the East Kapolei, University of Hawai'i West O'ahu, and Ho'opili stations in order to discharge storm water runoff.
- HART received the HDOT approved Municipal Separate Storm Sewer System permit which allows for construction discharge at the H2R2 ramp.

- **Look Ahead**

- Upcoming significant permit activity:
 - HART is in the process of preparing the Noise Permit Variance application for the City Center construction activities.
 - HART is preparing the KHG Community Noise Variance continuance for nighttime construction from Pearl Highlands to Aloha Stadium.

5.2 Hawai'i Department of Transportation (HDOT) Agreements

- **Activities this Month**

- An MOU concerning DOT additional scope is being reviewed and moved forward for execution.
- Balanced cantilever construction will require height clearance considerations and waivers from DOT.

- **Look Ahead**

- Execution of the Airport and City Center Joint Use and Occupancy.

5.3 Utility Agreements

Utility Agreements Status Matrix

Utility Owner	Status	WOFH		KHG		Airport		City Center		
		ESA	UCA	ESA	UCA	UCA	COMBINED ESA	UCA		
AT&T (Corporation)	Executed	5/11/11	12/20/11	5/18/12	Including with Airport	KHG, AP & City Center – Temp OH Draft sent to AT&T	12/26/13		Including with Airport	
	NTP	5/12/11	12/21/11							
	Amd 01	7/1/11	HRS Ch 104							
AT&T (Government Solutions)	Executed			12/26/13	Clarified to N/A	Combined with AT&T Corp	12/26/13		Combined with AT&T Corp	
	NTP									
Chevron	Executed	12/4/09		11/4/11						
	NTP	12/22/09		11/15/11						
	Amd 01	7/1/11								
Hawaiian Telcom	Executed	5/20/10	11/17/14	5/10/12	12/31/14	5/28/15	9/27/13		Draft sent to HTI for review	
	NTP	6/14/10	11/18/14							
	Amd 01	7/1/11		4/13/15		Drafted for additional scope and HRS Ch 104				
	Amd 02	5/10/12								
	Executed								Temp OH Draft sent to HTI for review	
	NTP									
HECO	Executed	4/20/12 Agreement superseded by Design & Construction Services Agreements - CLOSED		7/12/12 Agreement superseded by Design & Construction Services Agreements - CLOSED		Airport (2 of 2) and City Center Bridging Agreements superseded by Design Services Agreements - CLOSED.				
	NTP									
		Pre-Construction - CLOSED		Pre-Construction – CLOSED						
	Executed	10/30/13		10/4/13						
	Expired	11/29/13		11/29/13						
		Design Services	Construction Services	Design Services	Construction Services	Design Services	Construction Services	Design Services	Construction Services	
	Executed	11/20/13	11/29/13	11/20/13	11/29/13	11/20/13	HECO draft under review	11/25/13	HECO revision to include Temp Poles	
	NTP	11/20/13	11/29/13	11/20/13	11/29/13	11/20/13		11/25/13		
	Amd 01									
	Memorandums of Understanding		8/7/14 – Construction Drawings							
			5/1/15 - Access							
			5/15/15 - Derrick Truck							
		6/23/15 - Master Agreement								
		6/9/15 - MSF Advanced Construction								
		9/16/15 - Right of Entry								
		10/12/15 – Clearance (West)				11/10/15 - Dillingham Blvd Materials				
		Power Quality Pending								
Oceanic Time Warner Cable	Executed	12/8/09	12/21/11	1/9/12	6/2/14	12/19/14	4/3/13	Draft sent to OTWC for review		
	NTP	12/22/09					4/4/13			
	Amd 01	7/1/11	2/27/14		HRS Ch 104	HRS Ch 104				
	Amd 02	10/7/13	HRS Ch 104							
	Executed							Temp OH Draft sent to OTWC for review		
Pacific Lightnet/Wavecom	Executed	4/28/10	3/12/12	2/15/12						
	NTP	4/29/10	3/13/12	2/16/12						
	Amd 01	7/1/11	HRS Ch 104							

Utility Agreements Status Matrix

Utility Owner	Status	WOFH		KHG		Airport		City Center	
		ESA	UCA	ESA	UCA	UCA	COMBINED ESA	UCA	
Sandwich Isle Communications	Executed	5/20/10		4/20/12					
	NTP	6/8/10							
	Amd 01	7/1/11							
Hawai'i GAS	Executed	12/18/09	6/30/11	6/1/12	4/14/14	8/19/14	9/27/13	5/8/15	
	NTP	12/22/09	7/12/11			8/20/14		5/11/15	
	Amd 01	7/1/11	10/17/14		8/28/14	HRS Ch 104		HRS Ch 104	
	Amd 02		Drafted for add'l 4" line relocation in median and HRS Ch 104		10/23/15				
	Amd 03				HRS Ch 104				
Level 3/TW telecom	Executed	12/2/09		2/14/12	Oceanic to relocate for TW telecom		10/11/12	Draft sent to TW telecom - includes Temp OH	
	NTP	12/22/09		2/16/12					
	Amd 01	7/1/11							
	Amd 02								
Tesoro	Executed			2/15/12			8/27/13		
	NTP			2/16/12		9/12/13	9/3/13		
	Amd 01					9/12/14			
	Amd 02					5/13/15			
	Amd 03					HRS Ch 104			

Legend: = Action this month COR = Corporation Counsel UCA = Utility Construction Agreement
 = Not applicable ESA = Engineering Services Agreement UFR CRA = Combined Engineering and Construction Utility Agreement

WOFH

- All WOFH agreements have been executed.

KHG

- All KHG agreements have been executed.

AIRPORT

- All engineering utility agreements for the Airport section have been executed.
- HART is reviewing AT&T comments to the draft Construction Agreement. It is not necessary for this agreement to be in place for the Airport Segment utility construction.

CITY CENTER

- All engineering utility agreements for the City Center section have been executed.
- HART reviewed AT&T comments and the revised draft Construction Agreement was sent back to AT&T for review.
- HART has submitted the Utility Construction Agreement for City Center to OTWC for review/comments.
- HART has submitted a draft of the Utility Construction Agreement to TW telecom for review/comments.
- Looking Ahead:
 - Execute Oceanic City Center UCA.
 - Execute Hawaiian Telcom City Center UCA.
 - Execute AT&T City Center UCA.

HECO

- **Davis-Bacon requirements** – HECO has an established collective bargaining agreement – which does not align with Davis-Bacon requirements – for which HART on behalf of HECO has submitted a conformance request to the U.S. Department of Labor. HART is coordinating to resolve this with HECO.
- **HECO 46kV Substation near MSF area** – HECO indicates a need in the 2018-2019 timeframe for a new 46kV substation to feed the MSF area due to requirements in HECO Rule 13. Initial planning indicates that a currently un-used location near the MSF area may be suitable for this facility. HECO is investigating a ‘system’ substation, which would also feed other customers in the area surrounding the MSF.
- **Additional Clearances** – HECO indicates the need for additional horizontal working clearances from overhead pole alignments and additional buffer radial clearances from the actual overhead high-voltage lines.
 - **Horizontal Working Clearances Analysis** – HECO has completed a pole-by pole review of the current overhead 138kV and 46kV pole and line locations for WOFH and KHG and have identified areas where alternative access may be used for future pole and line maintenance. HART’s Task Force is currently meeting weekly with HECO to identify and analyze all potential solutions to the working clearance issue.

- **Alternative Equipment** –HECO has stated that the Bronto will not completely resolve the horizontal working clearance issue. HECO and HART are now researching with other equipment manufacturers to see if there is equipment that can work with less than the desired working clearance requirements.
- **New Service Connections** – HECO service requests are required for new electrical services for the MSF, Passenger Stations and Systems Sites (traction power facilities). The Passenger Station designers are providing the service request for the stations, and the Core Systems Contractor is providing the service request for the systems sites.
 - **MSF** – Service request approved via receipt of HECO Final Cost Letter and HECO design drawings. Installation of the MSF service is complete; buildings are energized.
 - **Passenger Stations and Systems Sites** – HECO service request reviews are in progress and approvals are anticipated for the west side stations and systems sites. HECO is working to finalize its designs and cost estimates.

5.4 Right-of-Way (data as of Feb. 11, 2016)

BUDGET

	Baseline Budget	Expended	Remaining Budget Balance	Estimate to Completion	Forecast Variance
Acquisition	\$ 201.70	\$ 86.30	\$ 115.40	\$ 102.30	\$ 13.10
Relocation	\$ 20.50	\$ 10.40	\$ 10.10	\$ 16.10	\$ (6.00)
Total (Million)	\$ 222.20	\$ 96.70	\$ 125.50	\$ 118.40	\$ 7.10

Note

- * Administrative overhead costs aggregated with the Acquisition and Relocation numbers
- * Estimate to complete based on offers, appraisals or assessed values

ACQUISITIONS

Figure 13. Right-of-Way Status for the Parcels [data provided by Real Estate Acquisition database (READ)]

	(a) Current No. of Parcels Needed	Appraisals In Process	(b) Appraisals Completed	(c) Letters of Offer Sent	(c) Offers Accepted	Possession Granted For Condemnation	Agreements Completed	Site Control Obtained	Relocations Completed	Properties Available for Contractor	(d) Acquisitions Completed
Full Acquisition											
W.Oahu/Farrington	16		14	14	13	1	2	16	13	16	15
Kamehameha	3		3	3	3			3	1	3	3
Airport	6		5	6	5	1		6	3	4	5
City Center	18		16	16	16			16	14	16	16
TOTAL	43		38	39	37	2	2	41	31	39	39
Partial Acquisition											
W.Oahu/Farrington	3		2	2	2			3		3	2
Kamehameha	4		3	3	2	1		3		3	1
Airport	10		4	4	1		1	7		4	1
City Center	79		67	68	30	2		12		3	7
TOTAL	96		76	77	35	3	1	25		13	11
Easement											
W.Oahu/Farrington	16		1	1	1		6	16		15	7
Kamehameha	6						1	6		6	1
Airport	34		8	7	1		4	28		27	4
City Center	28		21	20	2		1	1		1	1
TOTAL	84		30	28	4		12	51		49	13
GRAND TOTAL	223		144	144	76	5	15	117	31	101	63

During design development, the real estate requirements have been adjusted to accommodate the design refinements. Parcel requirements are adjusted as design is finalized.

- Footnotes:
- (a) 'Current No. of Parcels Needed' includes 146 privately-owned parcels and 77 government-owned parcels.
 - (b) 'Appraisals Completed' primarily includes appraisals for privately-owned parcels.
 - (c) Offers primarily include privately-owned parcels.
 - (d) 'Acquisitions Completed' includes 48 privately-owned parcels, and 15 'Agreements Completed' for the transfer or joint use of government-owned parcels.

KAMEHAMEHA

- Issues:
 - Negotiating with Aloha Stadium Authority to obtain right of entry for the construction of the station park-and-ride. HART has obtained the right of entry to construct the guideway.
- Look Ahead:
 - In order to support the relocation of utility easements in the Kamehameha section, eminent domain proceedings was initiated for one case, and the City Council approved eminent domain. However, a settlement was reached with the private property owner and escrow is expected to open soon.

AIRPORT

- Issues:
 - Continuing negotiations with TMK 1-1-002-001.
 - Closely monitoring the mapping process for Airport Station and for utility easements.
 - Design change pending for TMKs 1-5-015-010, 1-2-013-020 and 1-2-013-021.
 - In order to support the upcoming procurement for the Airport Guideway and Stations Design Build contract, eminent domain proceedings were initiated and the Honolulu City Council approved eminent domain. However, negotiations are still continuing with all private property owners in the Airport section in an attempt to reach mutual agreement. The status of these cases are:
 - 2 Acquired
 - 1 Order of Possession obtained
 - 3 In escrow
 - 5 In negotiations
- Look Ahead:
 - Working towards completing Airport agreements and acquisition of TMK 1-1-002-001.
 - A settlement was reached for one eminent domain case so escrow is expected to open soon.
 - Evaluate and address the need to advance additional recommendations for eminent domain to achieve the Project's schedule.

CITY CENTER

- Issues:
 - Continuing to place priority on obtaining site control and acquiring parcels in the Dillingham section.
 - Supporting negotiations with UH Honolulu Community College to secure construction right of entry for the City Center guideway.
 - Working to resolve issues with TMKs 2-3-039-017, 1-5-007-016, 2-3-003-000, 1-2-009-011 and 1-2-009-098.
 - Negotiating with the owner of fifteen parcels which have complex issues, as well as TMKs 2-1-031-030, 1-2-003-006, 2-3-007-027 and 2-3-002-069.
 - In order to support the upcoming procurement for the City Center Guideway and Stations DB contract, eminent domain proceedings were initiated and the Honolulu City Council approved eminent domain for most of the cases. However, negotiations are continuing with all private property owners in the City Center section in an attempt to reach mutual agreement. The status of these cases are:
 - 2 Obtained by Order of Possession
 - 5 Acquired
 - 5 In escrow
 - 16 In negotiations
 - 2 Rejected by the Honolulu City Council
 - 1 Withdrawn due to design changes
- Look Ahead:
 - A settlement was reached for one eminent domain case so escrow is expected to open soon.
 - Evaluate and address the need to advance additional recommendations for eminent domain to achieve the Project's schedule.
 - Closely monitor the acquisitions in relation to construction schedules for City Center.
 - HART has received a counteroffer with contingencies from an owner of thirteen parcels, which is being addressed.

RELOCATIONS

Figure 14. Relocation Status for the Occupants (data provided by READ)

Section	Residential Relocations (a)	Business Relocations (b)	Not-For-Profit Relocations (c)	Total Relocations (a+b+c)	Relocation Assessment Completed	90-Day Notice Sent	30-Day Notice Sent	Relocations Completed for Occupants
W.Oahu\Farrington	18	6	1	25	12	12	8	25
Kamehameha		4		4	4	3	3	4
Airport		13		13	5	10		7
City Center	16	66		82	31	55	23	53
Grand Total:	34	89	1	124	52	80	34	89

WEST O’AHU/FARRINGTON

- Look Ahead:
 - The Phase II Environmental Site Assessment report has been received for TMK 9-6-004-006. A tentative settlement has been reached and is subject to FTA concurrence.

AIRPORT

- Issue:
 - Ongoing relocation for TMKs 1-1-016-006 and 1-1-016-016.
- Look Ahead:
 - Monitoring relocations of several commercial tenants.

CITY CENTER

- Issue:
 - Continuing negotiations with TMK 2-3-002-059.
 - Relocation underway for TMKs 1-5-008-020, 2-3-007-039 and 2-3-007-045.
- Look Ahead:
 - Planning and monitoring the relocation of several commercial tenants.

THIRD-PARTY AGREEMENTS

Figure 15. Third-Party Agreement Status

Third-Party Agreements				
Agreement	Status	Target	Section	Notes/Remarks
City Agreements				
City Joint Use Memorandum of Understanding	Pending	March 2016	WOFH, KHG, Airport, City Center	Being reviewed by Corporation Counsel.
DFM – Dept. of Facility & Maintenance (Kamehameha Hwy/Makalapa Manor)	Executed		Airport	Jurisdictional transfer from DFM to HART in place.
DPR - Dept. of Parks & Recreation (MSF drainage)	Executed		WOFH	Consent to construct in place.
State Agreements				
UH - University of Hawai’i Master Agreement	Pending	September 2016	WOFH, KHG, City Center	Final negotiations are ongoing. Will secure Right of Construction as not to delay the project.
UH -West O’ahu (UHWO) Pre-Construction Right of Entry	Executed		WOFH	Consent to construct in place.
UH - West O’ahu (UHWO) Construction Right of Entry for Station	Executed		WOFH	Consent to construct in place to be followed by execution of the UH Master Agreement.

Third-Party Agreements				
Agreement	Status	Target	Section	Notes/Remarks
UH - Leeward Community College (LCC) Pre-Construction Right of Entry	Executed		WOFH	Consent to construct in place.
UH - Leeward Community College (LCC) Construction Right of Entry for Guideway	Executed		WOFH	Consent to construct in place to be followed by execution of the UH Master Agreement.
UH - Leeward Community College (LCC) Construction Right of Entry for Station	Executed		WOFH	Consent to construct in place to be followed by execution of the UH Master Agreement.
UH - Urban Gardens Pre-Construction Right of Entry	Executed		KHG	Consent to construct in place.
UH - Urban Gardens Construction Right of Entry	Executed		KHG	Consent to construct in place to be followed by execution of the UH Master Agreement.
UH - Urban Gardens Kiewit Construction Right of Entry	Executed		KHG	Consent to construct in place.
UH - Honolulu Community College (HCC) Pre-Construction Right of Entry	Executed		City Center	Consent to construct in place.
UH - Honolulu Community College (HCC) Construction Right of Entry for Guideway & Station	Pending	September 2016	City Center	In negotiations. Concerted effort is being made to finalize.
DLNR – Dept. of Land and Natural Resources Kapolei Right of Entry	Executed		WOFH	Consent to construct in place to be followed by execution of the easement agreement.
DLNR – Kapolei Easement	Pending	April 2016	WOFH	Easement agreement in process.
DLNR – Keehi Lagoon Right of Entry	Executed		Airport	Consent to construct in place to be followed by execution of the easement agreement.
DLNR – Keehi Lagoon Easement	Pending	April 2016	Airport	Process Easement Agreement.
DOE – Dept. of Education Master Agreement and Consent to Construct (Waipahu H.S.)	Executed		WOFH	Consent to construct in place. Jurisdictional Transfer in process.
Aloha Stadium / Department of Accounting & General Services (DAGS) MOU for guideway & station	Executed		KHG	MOU in place.
Aloha Stadium / Department of Accounting & General Services (DAGS) Right of Entry for guideway (for Kiewit)	Executed		KHG	Limited ROE granted for staging for Kiewit for KHG contract.
Aloha Stadium / Department of Accounting & General Services (DAGS) Right of Entry for guideway	Executed		KHG	Consent to construct in place to be followed by execution of the easement agreement.
Aloha Stadium / Department of Accounting & General Services (DAGS) Easement for guideway	Pending	July 2016	KHG	Easement Agreement in process.
Aloha Stadium / Department of Accounting & General Services (DAGS) Right of Entry for station park and ride	Pending	April 2016	KHG	In negotiations.
Aloha Stadium / Department of Accounting & General Services (DAGS) Easement for station park and ride	Pending	July 2016	KHG	Process Easement Agreement.
HDOT(H) – Dept. of Transportation Highways Master Agreement	Executed		WOFH	Master Agreement in place.
HDOT(H) - Master Agreement for KHG, Airport and City Center	Executed		KHG, Airport, City Center	Master Agreement in place.
HDOT(H) – Joint Use & Occupancy (JU&O) Sub-agreement	Executed		WOFH	Consent to construct in place.
HDOT(H) – Joint Use & Occupancy (JU&O) Sub-agreement	Executed		KHG	Consent to construct in place.
HDOT(A) – Dept. of Transportation Airports Joint Use & Occupancy (JU&O) Sub-agreement for Airport Division parcels	Executed		Airport	Consent to construct in place.

Third-Party Agreements				
Agreement	Status	Target	Section	Notes/Remarks
HDOT(A) – Dept. of Transportation Airports Joint Use & Occupancy (JU&O) Sub-agreement for Airport leased/revenue parcels	Pending	April 2016	Airport	Sub-agreement in process for leased/revenue parcels.
HDOT(A) - Joint Use & Occupancy (JU&O) Sub-agreement	Pending	April 2016	City Center	Sub-agreement in process for leased/revenue parcels.
HDOT(A) - Easement Agreement for Airport Division parcel	Pending	April 2016	Airport	Process Easement Agreement.
HDOT(Har) – Dept. of Transportation Harbors Easement Agreement	Pending	May 2016	City Center	In process.
HDOT(Har) – Right of Entry	Pending	May 2016	City Center	In process.
DHHL - Dept. of Hawaiian Home Lands Master Agreement	Executed		WOFH, MSF	Master Agreement in place.
DHHL – Dept. of Hawaiian Home Lands License	Executed		WOFH, MSF	Consent to construct in place.
OCCC - Dept. of Public Safety, Oahu Community Correctional Center Agreement, Dillingham Blvd.	Pending	April 2016	City Center	Finalizing requirements.
HCDA -HI Community Development Agreement	Pending	September 2016	City Center	Coordination is ongoing.
DAGS – Dept. of Accounting & General Services / HHFDC Right of Entry	Pending	May 2016	City Center	Consent to construct in process to be followed by execution of the Easement Agreement.
DAGS – Dept. of Accounting & General Services / HHFDC Easement	Pending	May 2016	City Center	Process Easement Agreement.
Federal Agreements				
U.S. Navy Licenses	Executed		WOFH, KHG, Airport	Consent to construct in place. Formal notification is forthcoming, however, immediate access is granted.
U.S. Navy Licenses	Pending	April 2016	WOFH, KHG, Airport	Land court documents processed and awaiting recordation and filing.
U.S. Navy Pearl Harbor Station Acquisition of Fee Transfer	Adopted	April 2016	Airport	Congressional approval received and immediate access is granted. Conveyance documents are in process.
U.S. Post Office Honolulu Processing Center acquisition	Pending	July 2016	Airport	In negotiations.
U.S. Gov't/GSA/Federal Courthouse Agreement & Landscape Plan	Pending	September 2016	City Center	Draft agreement is under review and discussions are ongoing.
Other Agreements				
D.R. Horton Agreement for Construction	Executed		WOFH	Consent to construct in place to be followed by execution of the easement agreement.
D.R. Horton Final Easement Agreement	Pending	January 2018	WOFH	Easement Agreement in process and subject to owner’s development plans.

6 MANAGEMENT AND ADMINISTRATIVE UPDATES

Safety and Security (S&S) (Section 6.1)

OVERVIEW

- **S&S Certification Program Key Components**
 - Certification documents: See status chart in Section 6.1
 - Design Criteria Conformance Checklists (DCCC) development and verification: See status chart in Section 6.1
 - Civil – Construction Specification Conformance Checklist (CSCC) development/verification: See status chart in Section 6.1
 - Core Systems – Specification/Testing Conform Checklist (STCC) development/verification: See status chart in Section 6.1
 - Base Operational Readiness Conformance Checklists (ORCC): See status chart in Section 6.1
 - PHAs and Core Systems SSHAs/O&SHAs: See Certification Documents Status Chart in Section 6.1
 - TVA: No change, on hold - pending Airport Guideway/Stations and City Center Guideway/Stations re-design.
 - Open Items List (OIL): See status chart in Section 6.1
 - Hazard Tracking Log: No status change
 - Interim Certification Requirements and Verification Status: See status chart in Section 6.1
 - Coordination is underway to issue an Interim Certification Certificate for the Delivery of PV-001, partial occupancy of the MSF OSB, track M-5, MSF ORCC, and MOW vehicles support in March 2016.
 - Key S&S Certification related meetings held in February 2016:
 - Safety and Security Certification Working Group (SSCWG) meeting: 2/2/2016
 - Fire Life Safety Working Group (FLSWG) meeting: 02/09/2016
 - PMOC monthly review meeting: 02/09-10/2016
 - Interim Certification Working Group (ICWG) meeting: 2/18/2016
 - Safety and Security Review Committee Meeting: 02/24/2016
 - Bi-weekly and/or monthly project coordination meetings with Core Systems, MSF, WOFH and KHG
 - HART Safety and Security weekly meeting with HDOT
- **The SSRC approved the following certification documents on 02/24/2016:**
 - MSF OSB Draft Interim Certification Checklist
 - ORCC MSF/OSB Draft Interim Certification Checklist
 - PV-001 Delivery Draft Interim Certification Certificate - Example
 - MSF/Rail Yard and Track PHAs
 - Vehicle/ATC SSHA and O&SHA (2-HAs)
 - UPS O&SHA
 - FDAS O&SHA
- **S&S Certification Certificates Issued to Date and 12 month Milestones:** See status chart in Section 6.1
 - The Interim Certification Certificate for the 3 MOW vehicles delivery and MSF Tracks M7/M1 was issued, signed on 2/4/2016, and SSRC accepted on 2/24/2016.
- **Construction Safety and Security:** See status chart in Section 6.1.

KEY ISSUES

- The rail plinths remain an outstanding issue. A proposed plan by the contractor was reviewed by HART Engineering. The contractor will proceed at risk for the work. The extended fasteners beyond the Compendium of Design Criteria (CDC) requirement must be approved and signed off by the RE's prior to HART Safety and Security acceptance.
- DB and DBOM contracts pose a significant challenge for the certification process where 100% design verification is not realized until sometime during or at the end of the construction phase. This delay is not consistent from one contract to another and is based on the complexity of the designs and contract submittal requirements.
- The specification and testing conformance checklist verification effort (% verified) will naturally lag behind construction completion percentage due to the fact that a significant percentage of the needed submittals are submitted at the end of the project; such as test reports, O&M manuals, training, and as-built drawings.
- Safety and Security is presently lacking one (1) position (Safety Specialist, OSHA). Staff has divided the work in the interim.

Quality Management (Section 6.2)OVERVIEW

- The HART QMP and HART-approved QAPs of contractors, consultants and suppliers have been assimilated by their respective employees and are being implemented as standard operating procedures. Therefore, less and less Nonconformance Reports (NCR) are reported or encountered internally and on existing contracts.
- Overall quality of the Project is good.
- There are two (2) major NCRs on the WOFH contract. One (1) new major NCR (509) regarding a failed Tendon T1L on Span 258 was reported during the month, which is described in detail in the Key Issues portion of Section 6.2.
- There are two (2) NCRs on the KHG contract. One new (1) major NCR (113) is regarding a damaged right flange of Segment 14 of Span 276 during the month, which is described in detail in the Key issues portion on Section 6.2.
- Continue verifying PGH Wong's (CE&I West) responses to the audit findings for WOFH, KHG, MSF and EE contracts.
- Continue reviewing AHJV's responses to the audit findings for the Core System Configuration Management Plan.
- Performed Joint (KKJV, AHJV and HART) Final Walkdown of Phase 3 Tracks (M1-M7) at the MSF Yard West of the Operations and Servicing Building (OSB) and Wheel Truing Building (WTB). A HART Punchlist was issued to KKJV for correction and completion.
- Performed QA Audit of L+E on the CSS contract on Feb. 9, 2016. The audit report and closeout letter was issued on Feb. 19, 2016.
- WOFH: Span 17 (NCR 314) repair was completed on Feb. 12, 2016. Therefore, NCR 314 is considered closed.

KEY ISSUES

- WOFH: Erection and finishing of spans (12-segments) and installation of permanent "shear keys" between the guideway columns and both ends of the spans.
- KHG: Erection of spans (12/14- segments) and construction of drilled shafts, columns, and segments at the Casting Facility.
- Resolution of two (2) major WOFH NCRs: replacement of failed Tendon T1L on Span 258 and Direct Fixation Shims Tolerances.
- Resolution of two (2) major KHG NCRs: Drilled Shafts (Cross Hole Sonic Logging [CSL] Reports) quality and repairs, and repair of damaged right flange of Segment 14 (Span 276).
- Construction of MSF Yard Ballasted Track: Alignment, Profile, Geometry, Sub-ballast, Drainage, Ballast, Grade Crossings, Welding, Stress Relieving, Concrete Ties, Contact Rail, Switches, etc.
- Installation and welding of rails and turnouts on top of the WOFH guideway.
- Construction of the WOFH and KHG Balanced Cantilever segmental spans.
- Manufacturing of Carbody(s) at Hitachi Rail Italy and its subcontractor manufacturing facilities in Italy.
- Final Assembly of passenger vehicles at Hitachi Rail Italy facility in Pittsburg, CA.
- Pre-shipment, Inspection & Testing (I&T) and First Article Inspections (FAI) of wayside core system and passenger vehicles materials, parts and components.

Buy America Compliance (Section 6.3)OVERVIEW and KEY ISSUES

- On Feb. 8, 2016, HART submitted a request for waiver of Buy America requirements for the variable refrigerant flow (VRF) HVAC system for the train control and communications rooms at the stations.

Disadvantaged Business Enterprise (Section 6.4)OVERVIEW

- \$32,092,244 = total dollar participation for all DBEs on all HART contracts from 9/24/07 to 2/29/16.

Planning and Environment (Section 6.5)OVERVIEW

- HART's Planning and Environmental team continues to collaborate with city, state, and federal agencies to ensure proper environmental review occurs in advance of procurement and construction activities. Monitoring and compliance efforts regarding the Programmatic Agreement are ongoing.

KEY ISSUES

- HART is completing final Post-Record of Decision (Post-ROD) documentation of project design refinements and needs.

Risk Management (Section 6.6)OVERVIEW

- There are a total of 135 risks in the February 2016 Risk Register, compared to 192 a year ago. There were 4 risks deleted, 2 new risks added, and 1 risk transferred for the month. During the month, risk reviews were focused on the Program Wide departments and conducted for Core Systems, Change Management, Environmental & Permits, Traffic/Utilities, Elevator/Escalator, Safety & Security, and Right-Of-Way.

KEY ISSUES

- HECO Clearance requirements will have significant cost impacts on the Airport Guideway and Stations (AGS) and City Center Guideway and Stations (CCGS) contracts, specifically along Kamehameha Highway near Joint Base Pearl Harbor and along the Dillingham Blvd. portion of City Center.
- HECO Clearance issues on the west side are being studied with HECO to try and resolve by the most cost effective means.
- Delay in the approval for the GET extension has delayed the issuance of the City Center Guideway and Stations package. Originally anticipated to be sent to Priority Listed Offerors in late December 2015, the actual issuance date was Feb. 2, 2016. This is likely to have an impact on the completion of the east side contracts.
- The MSF is progressing toward completion in early May 2016. The site will be ready to accommodate vehicle delivery in late March.

Community Outreach (Section 6.7)OVERVIEW

- HART continues its business outreach programs with feedback from local businesses. HART's Shop and Dine on the Line program and its new Shop, Dine & Shuttle program, the free shuttle service designed to assist local businesses along the rail route through construction, continue to be updated and promoted.
- HART's outreach team participated in several presentations, meetings and events this month, including meetings with business and community groups.

KEY ISSUES

- Traffic management continues to be a key issue surrounding construction work in the project's corridor. HART's public outreach team responded to more than 80 public inquiries this month. Inquiries were related to traffic, construction and business outreach programs.
- Business impact mitigation remains a priority for HART's outreach team. Canvassing and meetings with businesses and stakeholders in the urban core also continued this month in preparation for construction there.

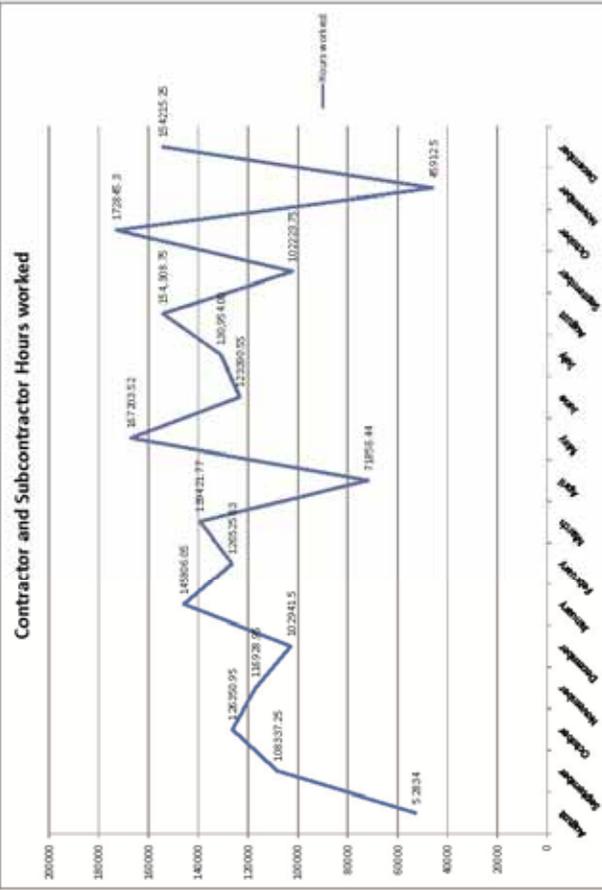
Staffing (Section 6.8)OVERVIEW

- The Director of Communications position interviews will be conducted the first week of March.
- The Chief Financial Officer position interviews are being scheduled.
- The Procurement and Specifications Specialist position was filled in February.
- The Human Resources Specialist in Civil Rights has been selected.
- The Deputy Director of Construction left the project and the need for a replacement is currently being evaluated.
- HART prioritizes filling all vacancies with City employees and supplements the City staff with PMC when required and appropriate.

KEY ISSUES

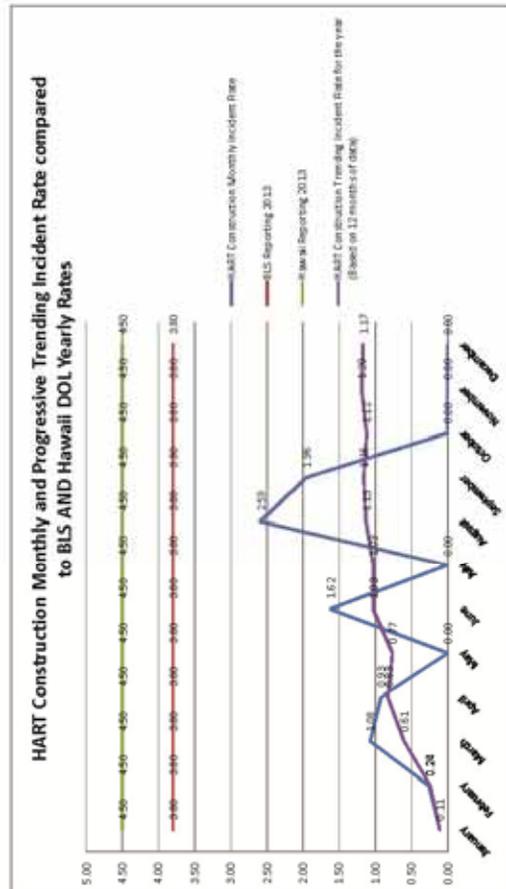
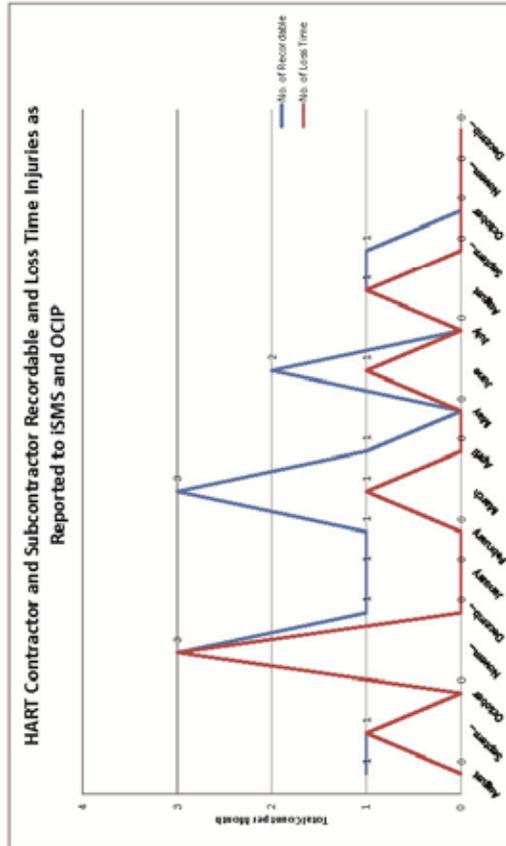
- The current organizational chart is dated Dec. 11, 2015, and will be updated to reflect personnel changes when key positions have been filled.

6.1 Safety and Security



Month	2014		2015	
	Hours worked	No of Recordable	Hours worked	No of Recordable
January	5,284	0	14,590.02	0
February	108,317.25	0	128,250.95	1
March	128,250.95	0	138,923.8	3
April	102,241.5	0	138,421.77	1
May	140,866.05	0	123,890.25	0
June	138,421.77	0	136,954.08	2
July	123,890.25	0	132,890.25	0
August	136,954.08	1	154,309.76	1
September	102,220.25	1	102,220.25	1
October	123,890.25	0	172,616.3	0
November	71,894.44	3	172,616.3	0
December	102,241.5	1	459,112.5	0
Total	507,992.65	6	1,594,736.48	10

Work Hours for WOPH, KHS, MSF, Air Port, CORE System as reported to OCIP and certified.



Project-Wide Incident Activity					
Event Type	Total Number of Events since 1/1/2007	Total Number of Events for Jan. 31, 2016-Feb. 25, 2016	Loss Type	Date	Event Description
Environment	15	0			
Loss or Damage	35	2	a)Minor Loss b)Unknown Loss	a) 2/10/16 b) 2/15/16	a) WOFH: Loader and haul truck reversed into each other. b) WOFH: Part of the BCS Traveler fell from guideway during a move.
*Reportable Occupational Injury/Illness	0	0			
Security	57	0			
**Loss Time Occupational Injury/Illness	6	0			
Road/Vehicle - Driving	84	0			
Service Strike	78	4	a) Minor Damage b) Minor Damage c) Minor Damage d) Minor Damage	a)2/1/16 b) 2/2/16 c) 2/11/16 d) 2/19/16	a) AU: Unmarked utility struck during excavation. b) WOFH: 2" water line damaged by backhoe. c) AU: An unknown concrete jacket was struck while excavating. D)AU: Drain line struck while excavating.
*Reportable incidents: Requires OSHA to be notified within 8 hours, and includes the death of an employee or hospitalization of three or more employees. **Loss Time Injury: Time away from work due to injury.					

HART S&S Certification "Open Items List"						
Last 6 Months Status						
"Open Items" - Design/Construction and Verification Issues						
Month – 2015, 2016	Total #	Total # Open	Total # Closed	% Closed Overall	# closed In Month	% Closed In Month
September	154	88	67	44%	1	1%
October	193	85	108	56%	41	18%
November	205	55	150	73%	44	21%
December	205	48	157	77%	07	3%
January	211	41	170	81%	12	19%
February	215	30	185	86%	15	7%

Note: Total #s are carried over from month to month

Key HART S&S Certification Documents			
<i>Update & Approval Status</i>			
S&S Project Plans, PHAs, Core Systems SSHA and O&SHA, and TVA			
Documents	Revision #	Date Approved	Comments
Safety and Security Management Plan (SSMP)	Rev 5	10/16/2015	SSMP signed
Safety and Security Certification Plan (SSCP)	Rev 4.B	12/14/2015	SSCP signed
WOFH SSCP	Rev 0	10/22/2014	SSRC approved - No future updates: HART SSCP is in affect
Construction Safety & Security Plan (CSSP)	Rev 2	10/16/2015	
Security Sensitive Information (SSI) Plan	Rev 0	12/15/2015	SSI plan signed
Project Preliminary Hazard Analysis (PHAs)	Rev 2.A		Rev 2A – DRAFT annual update completed 9/3/2015
- MSF – Yard and Shop	Rev 2.A	2/24/2016	SSRC approved
- Alignment	Rev 2.A	-	Pending March 2016 SSRC approval
- Tracks	Rev 2.A	2/24/2016	SSRC approved
- Stations	Rev 2.A	-	Pending March 2016 SSRC approval
- Traction Power	Rev 2.A	-	Update on-hold - pending approval of TES SSHA and O&SHA
- Train Control	Rev 2.A	-	Update on-hold - pending approval of ATC related SSHA & O&SHA
- Vehicles	Rev 2.A	-	Update on-hold - pending approval of PV related SSHA & O&SHA
- Communications	Rev 2.A	-	Update on-hold - pending approval of Comms SSHA and O&SHA
Core Systems Contract (CSC) PHAs (DBOM)	Rev F	-	2/8/2016 - Under HART Review
- Technologies PHAs	Rev C	-	10/29/2015 – CSC Revise & Re-submit (R&R)
- Central ATC O&SHA	Rev C	9/23/2015	SSRC approved
- Wayside ATC SSHA	Rev B	-	11/14/2014 – CSC R&R
- Wayside ATC O&SHA	Rev D	9/23/2015	SSRC approved
- Wayside/ATC SHA	Rev C	-	1/6/2015 – CSC R&R
- SCADA O&SHA	Rev E	-	HART Accepted 2/9/2016 – Ready for SSCWG review
- SCADA SSHA	Rev C	-	3/10/2015 – CSC R&R
- Vehicle Fire Hazard Analysis (FHA)	Rev B	-	8/28/2015 – CSC R&R
- Vehicle SSHA	Rev A	-	8/31/2015 – CSC R&R
- Vehicle O&SHA	Rev A	-	10/26/2015 – CSC R&R
- Vehicle/ATC SSHA	Rev E	2/24/2016	SSRC approved
- Vehicle/ATC O&SHA	Rev F	2/24/2016	SSRC approved
- TES SSHA	Rev B	-	11/03/2015 – CSC R&R
- TES O&SHA	Rev B	-	11/03/2015 – CSC R&R
- PSGS PHAs	Rev A	-	Under development
- PSGS O&SHA	Rev B	-	2/2/2016 – Under HART Review
- PSGS SSHA	Rev B	-	10/05/2015 – CSC R&R
- UPS O&SHA	Rev C	2/24/2016	SSRC approved
- Communications SSHA	Rev B	-	01/7/2016 – CSC R&R
- Communications O&SHA	Rec C	-	1/27/2016 – CSC R&R
- FDAS SSHA	Rev C	-	2/8/2016 - Under HART Review
- FDAS O&SHA	Rev B	2/24/2016	SSRC approved
- MOW Support Vehicles O&SHA	Rev A	-	Under development
Project Threat & Vulnerability Assessments (TVAs)	Rev 1	1/16/2015	On hold pending contract restructure & re-design

S & S Design Criteria Conformance Checklist (DCCC)						
<i>Civil and Core Systems Contracts</i>						
Verification Status						
Design Phase				Construction / Installation /Testing		
Contracts: FD, DB, DBOM	% Verified	+ / - % Change	Comments: Design SSRC Approval Date	% Verified	+ / - % Change	Comments: C/I/T SSRC Approval Date
Civil Contracts Under Construction						
FD-430, Airport Section 7-Piers	100%	N/A	6/17/2015	100%	N/A	8/26/2015
Yard Control Bungalow (YCB) CSC - Civil	48%	-	DCCC under review			
DB-200, MSF	96%	-	1/28/2015	21%		Verification underway
FD-430, Airport Utilities	100%	N/A	6/25/2014	51%		Verification underway
DB-120, WOFH Guideway - 38 total – Sub CEL/CIL Packages	99%	-	35 Sub - CELs/CILs SSRC approved	38%		Verification underway
DB-320, KHG Guideway - 40 total – Sub CEL/CIL Packages	98%		36 - Sub CELs/CILs, SSRC approved	7%		Verification underway
FD-140, West Oahu Station Group	99%	-	3 stations 12/09/2015			
Construction Contracts Awarded - Not Yet Started						
FD-340, H2R2 Ramps	100%	N/A	5/27/2015			
FD-240, Farrington Hwy Station Group	100%	+1%	3- station- 12/09/2015			
FD-340, Kamehameha Highway Station Grp	100%	N/A	3 Stations – 8/26/2015			
MI-930, Elevators & Escalators (Stations)	-	-	Base DCCC 8/26/15			
Civil Contracts Under Design / in Pre-bidding or Pre-award Phases						
FD-530, City Center Utilities	-	-	On hold – re-designing			
AP00 Art-in-Transit, 23 artists/contracts	-	-	Base DCCC under review			
DB-275, Pearl Highlands PS/BTC	-	-	Base DCCC under review			
FD-600, West O’ahu Park & Ride	-	-	Base DCCC under review			
DB-450, AG & Stations Group	-	-	2016 Redesign			
DB-550, CCG & Stations Group	-	-	2016 Redesign			
DBOM-920 Core Systems Contracts Under Procurement - Production - Manufacture - Installation						
DBOM-920, Core Systems						
- Passenger Vehicles (PV)	-	-	Designer input underway			
- Traction Electrification System (TES)	90%	+90%	Verification underway			
- MOW Vehicles	-	-	Designer input underway			
DBOM-920 Core Systems Contracts Under Design						
DBOM-920, Core Systems						
- Communication System	-	-	Designer input underway			
- Fire Detection Alarm System (FDAS)	-	-	Designer input underway			
- Train Control System (TCS)	-	-	Designer input underway			
- SCADA	-	-	Designer input underway			
- Platform Screen Gate System (PSGS)	-	-	Designer input underway			

S & S Construction Specification Conformance Checklists (CSCC)			
<i>Civil - Contracts</i>			
Verification Status			
Construction - Installation – Start-up & Testing Phases			
Contracts	% Verified	+ / - % Change	Comments
Civil Contracts Under Construction			
DBB-525, Airport Section, 7 - Drilled Shafts	100%	N/A	8/26/2015 SSRC approved –Certification Completed
Yard Control Bungalow (YCB) CSC Civil - Contract	17%	-	Base CSCC not yet SSRC approved, verification underway
DB-200, MSF and Rail Yard	41%	+1%	Verification underway
DBB-505, Airport Utilities - Construction	57%	+1%	Verification underway
DB-120, WOFH Guideway	53%	+3%	Verification underway
DB-320, KHG Guideway	16%	5%	Verification underway
DBB-171, West O’ahu Station Group	-	-	Draft Base CSCC scheduled for Mar SSRC review
Construction Contracts Awarded – Not Yet Started – No Verification Effort			
DBB-385, Ramp H2R2	-	-	Base CSCC - SSRC approved, 5-27-2015
DBB-271, Farrington Hwy Station Group	-	-	Base CSCC - SSRC approved, 7/22/2015
MI-930, Elevators & Escalators, WOSG	-	-	Base CSCC - SSRC approved, 8/26/2015
MI-930, Elevators & Escalators, FHSG	-	-	Base CSCC - SSRC approved, 8/26/2015
MI-930, Elevators & Escalators, KHSG	-	-	Base CSCC - SSRC approved, 8/26/2015
Civil Contracts Under Design or in Pre-bidding or Pre-award Phases			
DBB-371, Kamehameha Hwy Stations Grp	-	-	Draft Base CSCC scheduled for Mar SSRC review
MI-930, Elevators & Escalators, AP/CC Stations	-	-	Base CSCC - SSRC approved 8/26/2015
AP00 Art-in-Transit, 23 Artists/contracts	-	-	Draft Base CSCC under review
DBB-511, Dillingham Utilities & Road Widening	-	-	Draft Base CSCC under review – Related to FD-530, C&C Utilities
DB-275, Pearl Highlands PS/ Bus Transit Center	-	-	TBD
MI-900 Fare Collection System	-	-	Draft Base CSCC under review
DBB-600, West O’ahu Park & Ride	-	-	TBD
DB-450, AG & Stations Group	-	-	On hold pending re-design
DB-550, CCG & Stations Group	-	-	On hold pending re-design

S & S Specification/Testing Conformance Checklists (STCC)			
<i>Core Systems - Contracts</i>			
Verification Status			
Procurement - Production - Manufacture - Installation - Start-up & Testing Phases			
Contracts	% Verified	+ / - % Change	Comments
DBOM-920 Core System Contracts under Procurement - Production - Manufacture - Installation - STCC			
MOW Vehicles	27%	+11%	Base STCC SSRC approved 2/24/16, verification underway
Passenger Vehicles/Cars			
1) General Requirements – Applies to all PVs	2%	-	Verification in process
2) PV-001- Interim Cert – for Dynamic Testing	-	-	Verification on hold pending truck design resolution
3) PV-002- Interim Cert – for Dynamic Testing	-	-	PV-002 – primary testing vehicle
4) Train/4-PV Cert for Pre-revenue Service	-	-	Draft Base STCC under development
Traction Electrification System (TES)			
1) General Requirements – Project Wide	26%	-	Draft base STCC under review, verification underway
2) MSF – Rail Yard	25%	-	Draft base STCC under review, verification underway
3) Functional Track – WOFH Guideway	-	-	Draft base STCC under review
4) WOFH and KHG Guideways	-	-	Draft base STCC under review
5) Airport and City Center Guideways	-	-	Draft base STCC under review
Operational Requirements			
- Operational Readiness Conformance Checklists	6%	+1%	Base ORCC - SSRC approved 12/09/2015, verification underway
DBOM-920 Core Systems Contracts Under Design- STCC			
- System Integration Testing (SIT)	-	-	Draft base STCCs updated & under review – 5 - STCCs
- Traction Power Generators Back-up System	-	-	Draft base STCCs under review
- Communication Systems	-	-	Draft base STCCs under review – 5 - STCCs
- Fire Detection Alarm System (FDAS)	-	-	Base STCCs under development
- Train Control System (TCS)	-	-	Base STCCs under development
- Supervisory Control & Data Acquisition (SCADA)	-	-	Base STCCs under development
- Platform Screen Gate System (PSGS)	-	-	Base STCCs under development

Interim Certification - Verification Status			
Construction - Installation – Start-up & Testing Phases			
Contracts	% Verified	+ / - % Change	Comments
Interim Certification Requirements			
1. PV-001 Delivery – OSB, M-5 Track, ORCC	38%	+38%	OSB/IT,ORCC Interim Checklists SSRC approved 2/24/2016
2. MOW Building Early Occupancy	22%	+22%	New requirement – Checklist under review
3. Five (5) – MOW Vehicles Delivery (Vehicles only)	70%	+70%	SSRC approved checklist – 1/27/2016
4. Test Track – Rail Yard, TES/IT/ORCC/PV-002/ WOFH	-	-	IC checklists under Review – March 2016 SSRC approval
5. PV-002 Delivery – vehicle only	-	-	PV-002 IC checklist SSRC approved 1/27/2016
6. Functional Track – WOFH, PV-002, TES, ORCC, & IT	-	-	Interim Cert checklists under development

S & S Certification Certificates Issued to Date and 12 Month Projected Milestones		
Certification Certificates Issued to Date	Date Signed	Comments
FD-430 / DBB-525 Airport 7-Piers Certifiable Element “Guideway” Cert Certificate	9/21/2015	None – No open Items
Three (3) – MOW Vehicles Delivery & MSF M-7, M-1 –Tracks – Interim Cert Certificate	2/4/2016	None – No open items
Projected Certification Milestones next 12 Months		
	Milestones	Comments
1. PV-001 Delivery – Interim Certification (Hard Interim Certification Dates)	3/22-23/2016 3/28-29/2016	PV-001 (2-cars) PV-001 (2-cars)
2. MOW Building Occupancy Prior to Substantial Completion – Interim Certification	April/May	
3. YCB Civil Contract CSC Certification	May 2016	Civil only
4. DB-200, MSF Contract Certification	May 2016	Civil only
5. Five (5) MOW Vehicles Delivery – Interim Certification	May 2016	
6. PV-002 Delivery – Interim Certification	Aug 2016	
7. Eight (8) MOW Vehicles Final Certification	Sept 2016	
8. DB-120, WOFH Guideway Contract Certification	Sept 2016	Civil only
9. FD-430 and DBB-505, Airport Utilities Contract Certification	Sept 2016	Civil only
10. Test Track - Rail Yard – Interim Certification	Sept 2016	
11. PV-002, Interim Certification to enter Dynamic Testing	Sept 2016	Vehicle only
12. Functional Track – Interim Certification – Test Track	Nov 2016	
13. FD-340 and DBB-385, H2R2 Contract Certification	Dec 2016	Civil only
14. PV-001, Interim Certification to enter Dynamic Testing	On Hold - TBD	

6.2 Quality Management

• Overview

- The HART QMP and HART-approved QAPs of contractors, consultants and suppliers have been assimilated by their respective employees and are being implemented as standard operating procedures. Therefore, less and less Nonconformance Reports (NCR) are reported or encountered internally and on existing contracts.
- Overall quality of the Project is good.
- Review and approve contractors, consultants and suppliers new and updated QAPs, including Inspection and Test Plans (ITP). Currently reviewing QAPs: ASTS (Hitachi), Hitachi Rail Italy, and Hitachi Rail USA.
- Conducted biweekly Quality Task Force (QTF) meetings with CE&I, contractors and consultants QA teams to discuss the status of: design and construction activities; procurement activities; inspection and testing; NCRs; Corrective Actions (CARs) and Preventative Actions (PARs); quality compliance; various process improvements; quality economics, and Buy America compliance.
- Participated in Pre-Activity Meetings for scheduled construction activities: CSC/MSF (delivery and off-loading of first train set); KHG Span Setting, and FHSG (Site Work).
- Performed Joint (HART, KKJV, AHJV) Final Walkdown of Phase 3 Tracks (M1-M7) at the MSF Yard. A Punchlist was created and issued to KKJV by HART for correction and completion.
- Prepared Management System Audits (QA, Environmental and Buy America) Schedule for 2016 as shown on the following pages:



HONOLULU AUTHORITY for RAPID TRANSPORTATION

COMBINED MANAGEMENT SYSTEM AUDIT SCHEDULE

YEAR: **2016** Rev 1

KEY	Local Audit	Remote Audit	Continental U.S. Audit	International Audit		
CONTRACT PACKAGE NUMBER	DESCRIPTION	CONTRACTOR / CONSULTANT / SUPPLIER	AUDIT NUMBER	DATE SCHEDULE D	DATE PERFORMED	DATE CLOSED
SC-HRT-1400049	CSC Support Services	L + E	16-001 QA	2/9 - 2/10	2/9/16	2/19/16
CH-HRT-10HO449	Maintenance and Storage Facility Design-Build (MSF)	KKJV - HI	16-002 QA/BA/E	3/15 - 3/17		
CT-HRT-1200106	Core Systems Contract (CSC) & Hitachi Rail Design-Build-Operate-Maintain	Hitachi Rail USA	16-003 QA	5/3 - 5/5		
CT-HRT-10HO137	West O'ahu/Farrington Highway Guideway Design-Build (WOFH)	KIVC - HI	16-004 QA/BA/E	4/12 - 4/14		
CT-HRT-11HO195	Kamehameha Highway Guideway Design-Build (KHG)					
SC-HRT-1400027	General Engineering Consultant (GEC 3)	CH2M Hill	16-005 QA	5/10 - 5/12		
CT-HRT-1200106	Core Systems Contract (CSC)	AHJV - HI	16-006 QA	5/24 - 5/26		
CR-HRT-1500309	H2R2 Ramp Construction	Royal Contracting	16-007 QA/BA/E	6/28 - 6/30		
CT-HRT-11HO195	KHG Casting Facility	KMVC - HI	16-008 QA/BA	7/19 - 7/21		
CR-HRT-1500503	West Oahu Station Group Construction	NAN, Inc	16-009 QA/BA/E	7/26 - 7/28		
CT-HRT-1500236	Farrington Hi-way Station Group Construction FHSG	Hawaiian Dredging	16-010 QA/BA/E	8/09 - 8/11		
CT-HRT-11HO195	WOFH and KHG Surveying and Alignments	KIVC - HI	16-011 QA	8/16 - 8/18		
CT-HRT-10HO137						
SC-HRT-14000323	Airport Section Utilities Construction	NAN, Inc	16-012 QA/BA/E	8/30 - 8/31		
DB -	Airport Guideway and Station (Design)	TBD	16-013 QA	9/13 - 9/15		
DB-	City Center Guideway and Station (Design)	TBD	16-014 QA	9/27 - 9/29		
CT-HRT-1300318	Elevator and Escalator - Manufacture, Install and Maintain	US Schindler - HI	16-015 QA/BA	10/4 - 10/6		
		US Schindler - NJ				

Quality Assurance (QA); Buy America (BA); Environmental (E); Safety Security (SS)

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HONOLULU AUTHORITY for RAPID TRANSPORTATION

COMBINED MANAGEMENT SYSTEM AUDIT SCHEDULE

YEAR: 2016 Rev 1

KEY	Local Audit	Remote Audit	Continental U.S. Audit	International Audit		
CONTRACT PACKAGE NUMBER	DESCRIPTION	CONTRACTOR / CONSULTANT / SUPPLIER	AUDIT NUMBER	DATE SCHEDULE D	DATE PERFORMED	DATE CLOSED
CT-HRT-10H0137	WOFH Public Information	KIVC - HI	16-016 QA	10/18 - 10/20		
CT-HRT-11H0195	KHG Public Information					
SC-HRT-1400050	West Side Station Group CE&I	PGH Wong - HI	16-017 QA	10/25 - 10/27		
	West Oahu Farrington Highway and Kamehameha Highway Guideways CE&I					
	Elevator and Escalator - CE&I					
	Pearl Highlands Parking Structure/Bus Transit Center CE&I					
	UH West O'ahu Park-and-Ride and Ho'opili Station Finishes CE&I					
CT-HRT-1200106	Configuration Management Plan (CMP)	AHJV - HI	16-018 QA	11/3 - 11/14		
DB	Kamehameha Hi-way Station Group Construction	NAN, Inc	16-019 QA/BA/E	11/15 - 11/17		
CCH-100	Honolulu Authority for Rapid Transportation (HART)	HART	16-020 QA/SS	12/06 - 12/13		
SC-HRT-1600008	Airport Section Guideway & Stations CE&I East	Stantec	TBD	TBD		
	City Center Secion Guideway & Stations CE&I East'					
DB-	Pearl Highlands Garage Transit Center and H1R2 Ramp	TBD	TBD	TBD		
DB-	Airport Guideway and Stations (Construction)	TBD	TBD	TBD		
DB-	City Center Guideway and Stations (Construction)	TBD	TBD	TBD		
DB	UH West O'ahu Park-and-Ride and Campus Road 'B'	TBD	TBD	TBD		

Quality Assurance (QA); Buy America (BA); Environmental (E); Safety Security (SS)

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• Key Issues

HART NCR Log		
Total NCRs Issued To Date	CLOSED	OPEN
37 (Audits)	36	1
1 (Construction)	1	0

- Continue updating, reviewing and approval of appropriate HART Project Baseline Plans and Procedures due to new policies, re-organization, process improvement and lessons learned from the internal audits. Upon approval of revised plans and procedures, training of HART employees must be performed in order to assure competency and proficiency.
- Resolution of two (2) major WOFH NCRs that need to be addressed and corrected to prevent recurrence and to mitigate impact on the overall progress of the project. The following are the major NCRs identified:
 - **Span 258 – NCR 509:** a few strands of the 12-Strands Tendon T1L installed on Span 258 failed after post-tensioning. KIWC is preparing a Remediation Plan to replace the failed Tendon T1L. HART and KIWC will perform a postmortem of the Tendon T1L after its removal to determine the root cause of the failure and the corrective action to prevent recurrence.

Span 258 is a heavy curve span with a spiral surface profile, 4 inches eccentric from the center of gravity, and about 50 feet above ground. The span must be supported and stabilized prior to remediation work. The failed tendon is on the top and on the Mauka side of the span. Therefore, the entire span needs to be jacked-up about three feet to clear the tendon and provide adequate space for removal and replacement work.

- **Direct Fixation Shims Tolerances – NCR 398:** Some KIWC shims shall exceed the 9/16 inches specified requirements. HART and KIWC continue discussions on the direct fixation shim tolerances. KIWC has decided to install shims exceeding 9/16 inches at their own risk until the issue is finally resolved. HART is currently reviewing the KIWC NCR Disposition and Corrective Actions.
- Resolution of two (2) major KHG NCRs that need to be addressed and corrected to prevent recurrence and to mitigate impact to the overall progress of the project. The following are the major NCRs identified:
 - **Drilled Shafts:** To date there are six (6) Open NCRs (closed six) which are related to the CSL Reports, and 121 Drilled Shafts completed (added 12), which indicates that there were no CSL issues encountered lately and the process has improved. The CSL anomalies on the six NCRs open were found to be 10”-24” on top of the shafts, therefore correction/fixing will be quicker and easier.
 - **Span 276 – NCR 113:** Damaged (Crack) at the end and Makai side of Segment 14. The crack is minor compared to cracks found on Span 17 and 67 NCRs. KIWC is preparing a Remediation Plan to repair the crack, which is similar to Span 17.

Span 276 is the first longer span with 14 Segments erected in the project. KIWC is evaluating the procedure for lowering longer spans as a corrective action to prevent recurrence.

- Erection and finishing of spans, construction of “shear keys” between columns and spans, and construction of concrete walkways on WOFH and KHG guideways.
- Resolution of two (2) major WOFH NCRs: replacement of Tendon T1L and Direct Fixation Shims Tolerances.
- Resolution of two (2) major KHG NCRs: Drilled Shafts (Cross Hole Sonic Logging Reports) quality and repair, and crack on Segment 14 of Span 276.
- Construction of MSF Yard Ballasted Track: Alignment, Profile, Geometry, Sub-ballast, Drainage, Ballast, Grade Crossings, Welding, Stress Relieving, Concrete Ties, Contact Rails, Switches, etc.
- Installation and welding of rails and turnouts on top of the WOFH guideway.
- Construction of the WOFH and KHG Balanced Cantilever segmental spans.
- Manufacturing of Carbody(s) at Hitachi Rail Italy and its subcontractor manufacturing facilities in Italy.
- Final Assembly of Passenger Vehicles in Hitachi Rail Italy facilities in Pittsburg, CA.
- Pre-shipment, I&T and FAI of wayside core system and passenger vehicles materials, parts and components.
- Perform Joint (HART, KKJV and AHJV) Final Walkdown of Phases 1-5 of the MSF Yard, OSB, WTB, and MOW buildings prior to turnover to CSC.

6.3 Buy America Compliance (49 CFR 661 and 49 CFR 663)

- **Look Ahead**
 - HART will provide updates on any new construction agreements HART enters into with a utility company.

6.4 Disadvantaged Business Enterprise (DBE)

- **Activities this Month**
 - \$32,092,244 = total dollar participation for all DBEs on all HART contracts from 9/24/07 to 2/29/16
 - 6.33% = DBE utilization on total disbursed FTA funds received to date (\$32,092,244 divided by \$506,844,811)
 - 1.82% = DBE utilization to date on total Project FTA funds (\$32,092,244 divided by \$1,763,903,901)

*Total DBE Participation = \$32.1M
(previous report = \$31.9M)*

Figure 16. DBE Participation this Month

DBE Participation in February		
DBE Firm	Contract Number	Participation
Lawson & Associates	SC-HRT-1400061 MM-964	\$57,521
ADS System Safety Consulting	SC-HRT-1400061 MM-964	\$88,599
Island Hauling	CT-HRT-10H0449 DB-200	\$3,023
LKG-CMC	SC-HRT-1400049 MM-962	\$14,287
Dovetail Consulting	MOU-11-SO-1 MM-930	\$41,661
TOTAL FOR THE MONTH		\$205,091

Note: For a full listing of DBE participation to date, please see Appendix F.

6.5 Planning and Environment

- **Activities this Month**
 - Programmatic Agreement Activities:
 - HART’s Programmatic Agreement (PA) team met with the Hawai’i State Historic Preservation Division (SHPD) on Tuesday, Feb. 9, 2016, as part of ongoing consultation with the division.
 - HART’s two Makalapa National Register of Historic Places (NRHP) nominations were returned by the Keeper of the National Register in Washington, D.C. with instructions to transmit to the USN Federal Preservation Officer (FPO) and Deputy FPO for comment. The two nominations have been transmitted per the Keeper’s directive via certified mail on Feb. 17, 2016.
 - A new roof and additional closure work was completed on Holau Market on Feb. 12, 2016.
 - The new Kāko’o II Programmatic Agreement Manager was introduced to PA Signatory and Consulting Parties via email on Feb. 17, 2016.
 - Planning, Environmental, and Cultural Activities:
 - HART continues to assist the Oahu Metropolitan Planning Organization (OMPO) in updating the regional long-range travel demand forecasting model for the 2040 Oahu Regional Transportation Plan.
 - Continued coordination with stakeholder agencies regarding street tree transplanting and mitigation efforts.
 - HART relocated one (1) Narra Tree and planted three (3) new Queen’s Hospital White Shower Trees at Kolowalu Park in Kaka’ako.
 - Staff initiated consultation with Leeward Community College and Waipahu High School regarding a multiuse path and emergency second access along the edge of the Rail Operations Center.

- Convened the second meeting of the HART Property Utilization Group on Feb. 12, 2016 to determine optimal land use for various HART-owned properties. This group will develop a Property Utilization Plan (PUP).
- Developed a Request for Information (RFI) document for the construction of the Pearl Highlands Parking Garage for release to public.
- Sustainability:
 - Developed photovoltaic energy systems cost benefit analysis comparing purchase power agreement versus photovoltaic ownership for energy production at the Rail Operations Center (ROC).
- **Looking Ahead**
 - Ongoing coordination with DTS to ensure consistent planning of seamless bus and rail services focusing on rail's interim opening date.
 - HART will lead a working group on coordinated signage and wayfinding as a part of the monthly HART-OTS-DTS Working Group.
 - Refine and develop bus-rail integration needs for Lagoon Drive, Waimanu Street, and Ala Moana locations.
 - HART's Hawaiian Station Naming Kickoff Meeting was held on Feb. 20, 2016. The Hawaiian Station Naming Committee will develop recommendations on Hawaiian names for each of the 21 rail stations.
 - The next consultation meeting with HART/SHPD is scheduled for March 1, 2016.
 - HART to present purchase power agreement versus photovoltaic ownership evaluation to the HART Board.
 - Continue development of HART's sustainability program.
 - HART to develop Sustainability Focus Group with to-be-identified stakeholders.
 - Attend Kāko'o Meetings with Programmatic Agreement Signatory and Consulting Parties, if scheduled.
 - Continue coordination with DPP, the State, and HCDCA regarding transit-oriented development.
 - Prepare and submit Draft Post-ROD for Emergency Backup Generators to FTA.
 - Prepare and submit Draft Post-ROD for the Airport Casting Yard to FTA.

6.6 Risk Management

The primary strategy of risk management is to maintain a reserved contingency balance throughout the life of the Project that is acceptable to HART and the FTA. Effective management of project risks is necessary to significantly increase the likelihood of delivering a successful project. Risk management is the systematic process of identifying, analyzing, and responding to risk in a timely manner. Risk management is integral to all phases leading up to revenue service opening including: planning, design, construction, systems testing, system operation start up, safety and security certification, and ultimately to project construction closeout.

Risk assessment interviews are held on a regular basis to identify, assess, prioritize, manage and mitigate risk exposure, and develop prudent contingency plans. The Project Risk Register (RR) is the depository for all risks identified for the Project. Every month, risks contained in the RR are reviewed to confirm risks are appropriately identified, identify new risks, and close out risks that no longer pose an issue.

This report includes a listing of the top project wide risks which is an aggregate of the individual contract risks. Key metrics for probability of occurrence and cost and schedule impacts are subject to change as more is learned about the risks. At the same time, HART is implementing mitigation measures of avoidance, transfer, and acceptance/minimization.

NOTES OF SIGNIFICANCE

- Additional focus continues to be placed on Hawaiian Electric Co. coordination and clearance issue resolution.
- Discussions of project schedule and estimated costs at completion are being evaluated to provide the most accurate information possible.
- A Risk Refresh will be scheduled when the FTA/PMOC and HART are in agreement that the budget and schedule approach are in alignment. This process will be used to identify and recommend appropriate budget contingency and schedule float for the revised Revenue Service Date.

AREAS OF FOCUS

A) Market Conditions – The construction market in Hawai'i continues to outpace other major metropolitan US cities. The years 2015 and 2016 are expected to set a new record for construction in the state. This translates to increased escalation of about 1% per month from late 2014 through the end of 2016, according to the Rider Levett Bucknall, Quarterly Construction Cost Report. These conditions may impact the supply of experienced craft labor which will in turn affect contractor productivity rates and traffic mobility issues.

Mitigation Progress:

- HART's continuous improvement in estimating methodology has led to more confidence in the likely construction pricing, but continued pricing pressures in the market could still lead to higher than expected price proposals and bids.
- The combined guideway and station packages on the East (Airport Guideway and Stations contract and City Center Guideway and Stations contract) are still in active procurement.

B) Utilities – Utilities continue to be an issue for the project, as they are for most Transit and Rail projects.

Mitigation Progress:

- Resources to relocate HECO facilities are now keeping up with scheduled requests to resolve utility conflicts through improved coordination efforts between agencies at all levels from project management to executive levels.
- Clearance of HECO overhead facilities and HART Guideway and Stations is undergoing evaluation for site specific solutions with respect to the 138kV, 46kV and 12kV transmission lines. The range of solutions to meet physical separation are extraordinary in cost, requiring further study prior to reaching an agreeable solution that is functional and affordable.

C) Right-of-Way – There are parcels on the east and west segments that are still in an active acquisition process. Lack of site access by the contractors have been partially mitigated through re-sequencing the work on the west. The goal is to provide site access to the contractors on the east to avoid associated inefficiencies related to re-sequencing the work plan which would have a negative impact to the revenue service date.

Mitigation Progress:

- Nearly all west side property transactions have been accomplished.
- East side – there are a number of third-party agreements needed on the Airport Section and private parcels on the City Center Section. The revised Delivery and Procurement Plan takes into account the Right-of-Way Acquisition Plan. Cost-to-cure partial property improvement impacts have now been mostly resolved.

Note: Risks by Contract Package and a Comparison of Risk Ratings can be found in Appendix G.

Figure 17. Risk Matrix

RISK MATRIX					
Legend	Low (1)	Med (2)	High (3)	Very High (4)	Significant (5)
Probability	< 10%	10><50%	50><75%	75%><90%	>90%
Cost	< \$250K	\$250K><\$1M	\$1M><\$3M	\$3M><\$10M	>\$10M
Schedule	< 1 Mths	1><3 Mths	3><6 Mths	6><12 Mths	>12 Mths
Rating	<=3	3.1-9.49		>=9.5	

The risk matrix is used to score and rank identified risks. The rating is the average cost and schedule impact score multiplied by the probability score.

Figure 18. Top Project Risks

Top Risks February 2016									
Current Risk ID	Contract Package	Risk Description	Probability	Prob Rating	Cost Impact	Time Impact	Feb '16 Risk Rating	Jan '16 Risk Rating	
36.01	Project Wide	HECO Clearance - Cost & schedule exposure from unanticipated utility replacements. (Ex., overhead 138kV and 46kV circuits may require relocation, including undergrounding).	90%	5	5	5	25	25	
111.19	Airport Guideway and Stations	Cost estimates for remaining AGS guideway contract may be low compared to current market conditions.	90%	5	5	4	22.5	22.5	
111.06	City Center Guideway & Stations	Cost estimates for remaining CCGS guideway contract may be low compared to current market conditions.	90%	5	5	4	22.5	22.5	
111.16	Pearl Highlands Garage	Cost estimates for Parking Structure and Transit Center FFGA Budget may be low compared to current market conditions.	90%	5	5	4	22.5	22.5	
68.14	City Center Guideway & Stations	Downtown Station planned to be integrated into Pacific Guardian Center. PGC position could extend negotiations and delay construction or increase construction costs.	90%	5	5	3	20	20	
193.08	Core Systems Contract	Delays in civil, guideway, and stations construction may cause Core Systems installation delay. Shared access to facilities needs to be coordinated.	75%	4	5	5	20	20	
37.19	Airport Guideway and Stations	Additional utility easements may be required for military properties or private utility companies.	75%	4	5	4	18	18	
6.06	City Center Guideway & Stations	Insufficient utility company resources available to resolve conflicts and meet the design, approvals, and/or construction schedule. (Dillingham bottleneck)	75%	4	4	5	18	18	
110.06	City Center Guideway & Stations	Real Estate market could continue to increase rapidly before purchase of all needed properties, greatly increasing cost of property and delaying construction if legal actions are pursued.	75%	4	5	4	18	18	
184.17	Elevator/Escalator	There is a potential for cost escalation and extended OH for delay of manufacturing and installing elevator/escalator due to procurement of West Side Stations.	75%	4	4	5	18	18	
6.04	Kamehameha Highway Guideway	Insufficient utility company resources available to meet the design, approvals, and/or construction schedule.	75%	4	5	4	18	18	
37.06	City Center Guideway & Stations	Additional utility easements may be required for private utility companies or other project needs.	50%	3	5	5	15	15	
186.17	Elevator/Escalator	Increase in escalator requirements.	90%	5	3	3	15	15	
37.04	Kamehameha Highway Guideway	Additional utility easements may be required for private utility companies.	50%	3	5	5	15	15	

Risks are placed in order based on highest risk rating for the month. The Top Risks listed represents those that could have a major impact on the Project and require additional focus by management. There are other high rated risks that are not listed and are also in the process of being mitigated by HART staff.

Figure 19. Risks Added

Risks Added in February 2016							
Risk ID	Contract Package	Risk Description	Probability	Prob Rating	Cost Impact	Time Impact	Risk Rating
201.07	Maintenance & Storage Facility Contract	MSF Third Party sign-offs from DPP and Fire Marshall could delay acceptance of facilities and Beneficial Occupancy. Alterations to facility may be needed to address Third Party concerns.	10%	2	2	3	5
202.08	Core Systems Contract	Delays in access/ turn-over dates of LCC station may impact functional section testing.	50%	3	3	3	9

Figure 20. Risks Deleted

Risks Deleted in February 2016					
Current Risk ID	Contract Package	Risk Description	Comments	Risk Rating	
				Feb. '16	Jan. '16
145.12	KH5G	Procurement process may impact schedule and/or price.	2/16 - Item deleted. Contract has been awarded.	7.5	7.5
115.03	West Oahu/Farrington Highway Guideway	Change in station designs may affect guideway and result in additional construction costs.	2/16 - Item deleted. No additional changes to the WOFH guideway contract are anticipated due to station designs.	5	5
97.03	West Oahu/Farrington Highway Guideway	Securing Right-of-Way for the project is required to avoid delay to the contractor.	2/16 - Item deleted. No additional ROW impacts are anticipated for WOFH.	4	4
74.03	West Oahu/Farrington Highway Guideway	Traffic Mitigation - Unforeseen special events not listed in SPs may cause delays to construction or add MOT costs.	2/16 - Item deleted. Holiday periods are now past and no additional special event traffic interruptions are anticipated for WOFH.	3	3

6.7 Community Outreach

- **Activities this Month**

- HART and its contractor held a ground breaking ceremony in Waipahu to signal the commencement of construction for the first two rail stations that will be built for the project.
- HART’s public outreach included nearly two dozen presentations to business organizations, schools and community groups.
- HART Executive Director and CEO Dan Grabauskas and HART Board Chairman Don Horner were on hand and answered questions when Mayor Kirk Caldwell signed into law the bill that extends the county surcharge on the state General Excise and Use Tax to fund the rail project.

Since the inception of HART, the outreach team has participated in:

- 934 Presentations and Events
- 512 Neighborhood Board Meetings

Prior to the inception of HART, the outreach team participated in:

- 1,001 Presentations and Events
- 541 Neighborhood Board Meetings

- **Construction Outreach**

- HART held two Business Alliance meetings this month, one in Waipahu and a second one in the Pearl City area. These regular meetings are designed to provide businesses along the rail corridor with updated information about construction work and upcoming traffic changes in their area. The meetings are also designed to provide businesses with the opportunity to provide feedback that helps shape some of HART’s business outreach programs. HART’s Business Alliance partnership continues to provide businesses in the construction corridor with tailored construction briefings, free business development workshops, and other programs to assist local businesses during construction.
- HART’s Public Outreach staff did door-to-door canvassing in the construction corridor to alert business owners and operators about the meetings and to hear from businesses about the impacts of construction and suggestions on how those impacts might be mitigated.

- HART continues to provide weekly traffic updates, notifying motorists, elected officials and members of the public of upcoming lane closures due to rail construction. The advisories are posted on the project website and distributed via email to local media outlets.

Figure 21. West Loch Station Groundbreaking



HART and Hawaiian Dredging Construction Company held a ground breaking ceremony to signal the start of construction of the rail stations in Waipahu

- **Community Input**

- HART’s public outreach team responded to more than 80 public inquiries this month. Inquiries were related to traffic, construction and business outreach programs.

- **Look Ahead**

Coming in March:

- HART will have a booth at the First Hawaiian International Auto Show.
- HART will participate in Kapiolani Community College’s 2016 College Transfer and Employment Fair.
- HART will hold two Business & Community meetings for businesses and residents in the Waipahu, Aiea and Pearl City areas.
- HART expands its business outreach program in Waipahu and continues its free shuttle service along Kamehameha Highway as part of its Shop & Dine on the Line program to assist businesses along the rail route during construction.

6.8 Staffing

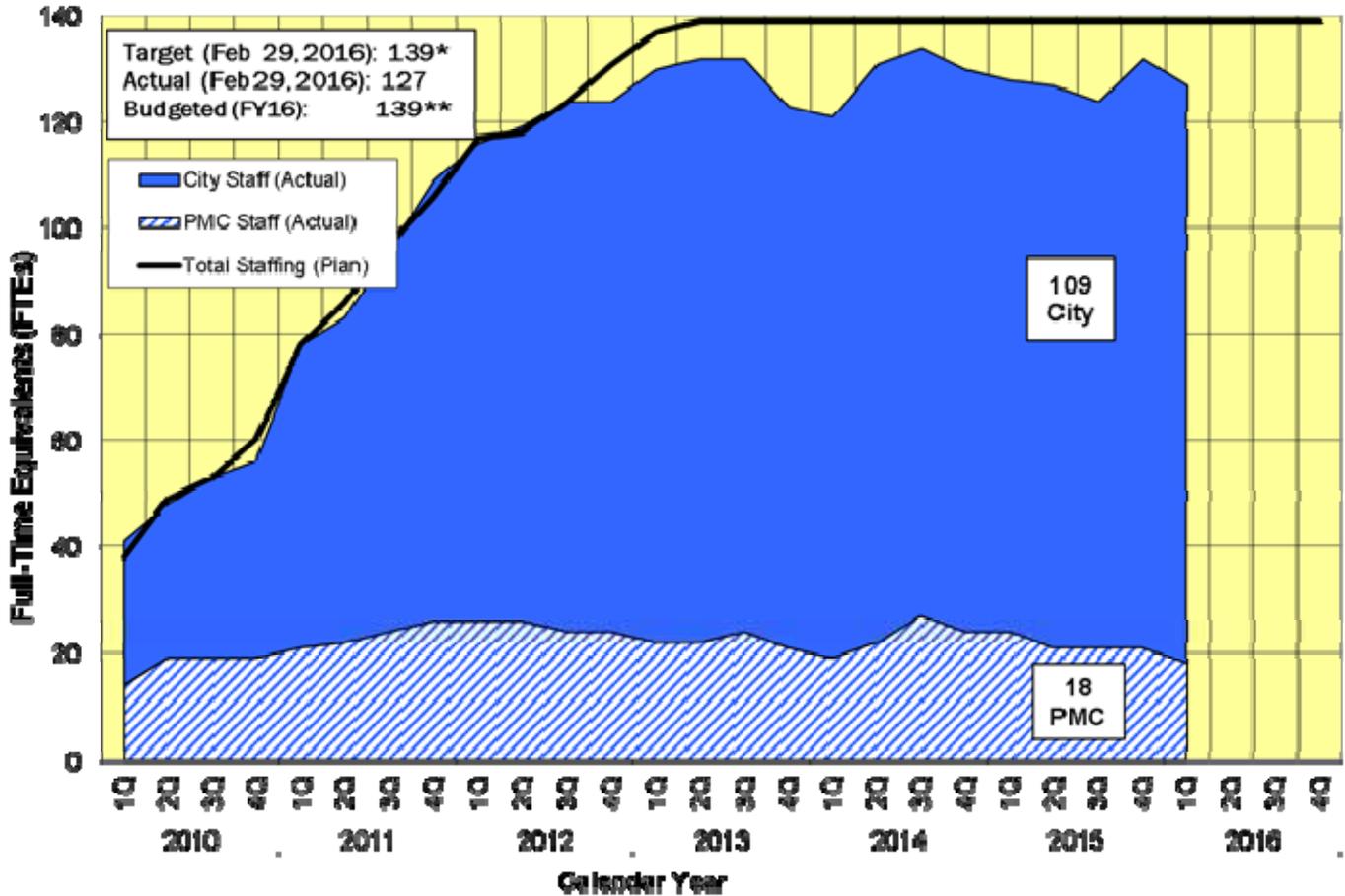
Figure 22. Staffing Activities

Staffing Activities				
Title	Group	New/Existing HART position (City or PMC)	Position Status	Start Month
Design and Construction				
West Area Construction Manager	Construction	New (City)	Recruiting	
Assistant Project Manager (City Center DB)	Construction	New (City)	Recruiting	
Project Manager (WOFH & KHG)	Construction	Existing (City)	Recruiting/Interviewing	
Electrical Engineer	Core Systems	Existing (City)	Recruiting/Interviewing	
Planning, Permits and Right-of-Way				
Planner III* (Environmental)	Planning	Existing (City)	Recruiting	
Budget and Finance				
Chief Financial Officer	Budget and Finance	Existing (City)	Scheduling Interviews	
Operations and Maintenance				
Director of Operations & Maintenance	Operations & Maintenance	Existing (City or PMC)	Interviewing	
Quality Assurance				
Quality Assurance Engineer * (Civil)	Quality Assurance	Existing (City)	Recruiting	
Administrative Services				
Personnel Clerk	Administrative Services	New (City)	Recruiting via Civil Service	
Information Technology Support Technician (2)	Administrative Services	Existing (City)	Recruiting/Interviewing	
Public Information				
Director of Communications	Public Information	Existing (City)	Scheduling Interviews	
Project Controls				
Scheduler	Project Controls	Existing (City)	Recruiting	
Civil Rights				
Human Resources Specialist	Civil Rights	Existing (City)	Selected	Mar
Procurement				
Procurement & Specification Specialist	Procurement & Specifications	Existing (City)	Filled	Feb
Contract Administration and Change				
Contract Specialist (2)	Contract Admin and Change	Existing (City)	Recruiting/Interviewing	

*Actual hiring level will be commensurate with candidate’s qualifications.

HART currently receives direct project support in centralized functions from the following city departments: Honolulu Police Department (HPD), Department of Information Technology (DIT), Department of Budget and Fiscal Services (BFS), Department of Design and Construction (DDC), Corporation Counsel (COR) and Department of Human Resources (DHR); and from the State of Hawai’i Department of Transportation (HDOT) on Consultant Services Contracts. HART is currently working with the Department of Facility Maintenance (DFM) on creating a Memorandum of Understanding (MOU).

Figure 23. Project Staffing (Actual vs. Planned)



* In accordance with Staffing and Succession Plan Row 6 (Under Review)
 ** 139 City positions authorized in FY 2016 HART Operating Budget

The actual number of employees reflects employees hired during this period as well as employees who left the project from both HART and the PMC staffs.

Note: For a project organization chart, see Appendix H.

APPENDICES

Appendix A. Action Items

The following are Action Items for HART and/or the PMOC, which are reviewed and discussed on a monthly basis.

Action Items						
Item No.	Item	Responsible Party	Date Identified	Date Due	Date Completed	Status
1	Resolve HECO issue with Davis-Bacon requirements	HART/FTA	Mar-14	On-going		Open – HECO waiver is pending. HART provided MOU to PMOC.
2	Updates resulting from Risk Refresh:					
2a	Update the Contract Packaging Plan	HART	Aug-14	Dec-15		In progress – Draft provided to PMOC, but changes may be incorporated on updated estimate and schedule.
2b	Re-baseline Financial Plan	HART	Apr-14	TBD		Pending final update of budget and schedule.
2c	Re-baseline budget	HART	Apr-14	TBD		In progress.
2d	Re-baseline MPS	HART	Apr-14	TBD		HART to provide revised MPS update for review.
2f	Update RCMP (including Hold Points and Secondary Mitigation Measures)	HART	Sept-13	TBD		HART to provide updated draft that reflects revised budget and schedule.
3	HART to provide target date for Federal Courthouse resolution/sign-off	HART	Sep-15	Feb-16	Feb-16	Target date is May 2016; PMOC will continue to track progress in meeting this target date.
4	HART to provide Operational Readiness Checklist/Hold Points for MSF Certification	HART	Jan-16	Jan-16	Feb-16	Complete

Appendix B. Project Contingency Management General Background and Clarifications

The FFGA Baseline Budget for Project Contingency is approximately \$643.6M and consists of the following elements:

- 1) Unallocated Contingency – Reserve contingency to address unknown changes to the Project and not currently allocated to a particular work package.
- 2) Project Allocated Contingency – Contingency allocated to each work package to address potential uncertain changes within each respective work package.
- 3) Allowance – A reserve designated for Final Design contracts and committed under the contracts.

Current Contingency Balance = \$487.4M

Current Known Changes Contingency = \$0M

The \$643.6M Baseline Budget for Total Project Contingency does not include amounts for Known Changes yet to be finalized at the time the Bottom-Up Estimate (BUE) was prepared.

As the project progresses, budget transfers will be executed, moving budgeted project scope and budgeted contingencies as appropriate to reflect either a realized cost savings, cost overruns, or a transfer of scope. It is expected that project contingency will continue to be drawdown as the overall design is further developed, risks are identified, and construction progress continues to advance. The following list details ways in which project contingency can either increase or decrease:

- 1) The budgeted amount for a contract package is either lower or higher than the actual executed contract amount. Contingency will increase if the budgeted amount is higher than the actual contract amounts which results in a budget surplus, and vice versa if the budgeted amount is lower.
- 2) Increase of a contract amount through the execution of a change order or contract amendment. Contingency is decreased and transferred to the appropriate SCC.
- 3) Transfer of work scope, e.g. utility relocation, between contract packages through a change order. The scope value from one contract is decreased and transferred to Contingency. Contingency is then decreased by the same scope value and transferred to the other contract. Contingency is used as a “holding account” in this instance.
- 4) Revisions to contract packaging. Further evaluation of contract packages may be considered to seek budget savings and/or to mitigate cost or schedule impacts. Budget savings, if any, would be transferred to Contingency.
- 5) Utilization of allowance in design contracts. The allowance amount to be utilized will decrease this contingency category and will be transferred to the appropriate SCC.

Changes Identified and Project Performance

HART and the PMOC continue to hold a monthly breakout session to review cost containment strategies and changes being considered for each contract. Changes are tracked by three categories which are determined by how well defined a change is and are summarized as Changes Identified in Project Cost reports. HART continually manages the strategy to avoid or mitigate as well as plan the timing of any potential changes. Breakout session discussions focus on opportunities to reduce costs and accelerate contract-scheduled activities to attain key milestones earlier than targeted. The session concludes with an overview of the cost and schedule drawdown curves, if and when changes might occur, in order to assess project performance against total project contingencies and buffer float.

The Risk and Contingency Management Plan (RCMP), Contract Packaging Plan (CPP), Master Project Schedule (MPS), Project Budget and Financial Plan updates are all in progress. The RCMP includes updates to the cost and schedule contingency drawdown curves, which establish minimum and buffer zone levels of cost and schedule contingency in accordance with FTA recommendations. Over the course of the project, if the cost or schedule contingency enter into the buffer zone (the area above the minimum contingency), Project Management will immediately implement actions to maintain the level of contingency appropriate for the project stage.

Known Changes Contingency

Known Changes, though tracked separately from the Project Contingency established under the FFGA, functions like contingency and is designated as SCC 90.07 on project cost reports. In re-baselining the Project Budget for FFGA, a bottoms-up estimate (BUE) was developed for each work package identified in the CPP based on the level of design and current pricing of material, equipment, construction labor, professional services, real estate and all other costs. These revised estimates took into account the reduction of contingency to reflect the advancement of Final Design since the Preliminary Engineering phase. Contingency was then allocated in accordance with FTA guidelines and current risk modeling methodologies. The net effect was a reduction of approximately \$170M of contingency between the previous Final Design Project Budget and the FFGA Project Budget. Included in the base costs of the BUE were elements that were considered “Known” or pending changes that were still subject to final negotiations with contractors and the execution of change orders. The estimated costs for Known Changes were applied to work packages established under the FFGA. Based on the level of risk, the estimated costs for Known Changes were either classified as base cost or as separate contingency for specific work packages (contingencies eventually convert to base costs via change order). Of the total \$170M estimated for Known Changes, \$97M was classified as base cost and allocated to multiple contracts. The remaining \$74M was classified as “contingency” in order to process all changes using a consistent methodology of transferring budget from contingency to the appropriate base cost code when a change order is executed. As it was intended for this reserve, this line item has been debited to zero as all changes contemplated to draw-down against “known” contingency has been executed.

HART Project Contingency Drawdown with Details

Date as of 1/29/16

Project No.	Project Desc.	Balance/Transfer/Change Description	Contingency Drawdown Let's	Contingency Code
March '14				
104	14	14 Contingency Drawdown	\$608.2	60
March '14 Contingency Drawdown				
			\$608.2	60
April '14				
		March '14 - Ending Contingency Balance	\$608.2	
11	14	Contract Amendment No. 04 - East station sign relocation per final schematic	180,747.00	60 12 - Contract Allowance
21	14	Contract Amendment No. 05 - Voice-to-Text 4165-Portugal - Sum for Design Support during bid	14,089.94	60 13 - Contract Allowance
31	14	Contract Order No. 01 - 1171111111	119,908.06	60 12 - Allocated Contingency
41	14	Contract Order No. 02 - 1171111111	119,908.06	60 12 - Allocated Contingency
51	14	Contract Order No. 03 - 1171111111	119,908.06	60 12 - Allocated Contingency
61	14	Contract Order No. 04 - 1171111111	119,908.06	60 12 - Allocated Contingency
71	14	Contract Order No. 05 - 1171111111	119,908.06	60 12 - Allocated Contingency
81	14	Contract Order No. 06 - 1171111111	119,908.06	60 12 - Allocated Contingency
91	14	Contract Order No. 07 - 1171111111	119,908.06	60 12 - Allocated Contingency
101	14	Contract Order No. 08 - 1171111111	119,908.06	60 12 - Allocated Contingency
April '14 Contingency Drawdown				
			\$17,480.25	
April '14 - Ending Contingency Balance				
			\$590.7	
May '14				
		April '14 - Ending Contingency Balance	\$590.7	
11	14	Subject identified for Schedule Contract Amendment No. 08 - Final design for relocated Hospital Station	1,700.124	60 12 - Allocated Contingency
21	14	Subject identified for Schedule Contract Amendment No. 08 - Final design for relocated Hospital Station	1,700.124	60 12 - Allocated Contingency
31	14	Subject identified for Schedule Contract Amendment No. 08 - Final design for relocated Hospital Station	1,700.124	60 12 - Allocated Contingency
41	14	Subject identified for Schedule Contract Amendment No. 08 - Final design for relocated Hospital Station	1,700.124	60 12 - Allocated Contingency
51	14	Subject identified for Schedule Contract Amendment No. 08 - Final design for relocated Hospital Station	1,700.124	60 12 - Allocated Contingency
61	14	Subject identified for Schedule Contract Amendment No. 08 - Final design for relocated Hospital Station	1,700.124	60 12 - Allocated Contingency
71	14	Subject identified for Schedule Contract Amendment No. 08 - Final design for relocated Hospital Station	1,700.124	60 12 - Allocated Contingency
81	14	Subject identified for Schedule Contract Amendment No. 08 - Final design for relocated Hospital Station	1,700.124	60 12 - Allocated Contingency
91	14	Subject identified for Schedule Contract Amendment No. 08 - Final design for relocated Hospital Station	1,700.124	60 12 - Allocated Contingency
101	14	Subject identified for Schedule Contract Amendment No. 08 - Final design for relocated Hospital Station	1,700.124	60 12 - Allocated Contingency
May '14 Contingency Drawdown				
			\$22,310.314	
May '14 - Ending Contingency Balance				
			\$568.4	
June '14				
		May '14 - Ending Contingency Balance	\$568.4	
11	14	Blair Approved RC-CO-00017 - Amendment 1, Honolulu Station	15,309.200	60 12 - Allocated Contingency
21	14	Blair Approved RC-CO-00017 - Amendment 1, Honolulu Station	15,309.200	60 12 - Allocated Contingency
31	14	Blair Approved RC-CO-00017 - Amendment 1, Honolulu Station	15,309.200	60 12 - Allocated Contingency
41	14	Blair Approved RC-CO-00017 - Amendment 1, Honolulu Station	15,309.200	60 12 - Allocated Contingency
51	14	Blair Approved RC-CO-00017 - Amendment 1, Honolulu Station	15,309.200	60 12 - Allocated Contingency
61	14	Blair Approved RC-CO-00017 - Amendment 1, Honolulu Station	15,309.200	60 12 - Allocated Contingency
71	14	Blair Approved RC-CO-00017 - Amendment 1, Honolulu Station	15,309.200	60 12 - Allocated Contingency
81	14	Blair Approved RC-CO-00017 - Amendment 1, Honolulu Station	15,309.200	60 12 - Allocated Contingency
91	14	Blair Approved RC-CO-00017 - Amendment 1, Honolulu Station	15,309.200	60 12 - Allocated Contingency
101	14	Blair Approved RC-CO-00017 - Amendment 1, Honolulu Station	15,309.200	60 12 - Allocated Contingency
June '14 Contingency Drawdown				
			\$583.4	
July '14				
		June '14 - Ending Contingency Balance	\$563.4	
11	14	Contract Amendment No. 008 - Platform screen gates installation	1,899.184	60 12 - Allocated Contingency
21	14	Contract Amendment No. 008 - Platform screen gates installation	1,899.184	60 12 - Allocated Contingency
31	14	Contract Amendment No. 008 - Platform screen gates installation	1,899.184	60 12 - Allocated Contingency
41	14	Contract Amendment No. 008 - Platform screen gates installation	1,899.184	60 12 - Allocated Contingency
51	14	Contract Amendment No. 008 - Platform screen gates installation	1,899.184	60 12 - Allocated Contingency
61	14	Contract Amendment No. 008 - Platform screen gates installation	1,899.184	60 12 - Allocated Contingency
71	14	Contract Amendment No. 008 - Platform screen gates installation	1,899.184	60 12 - Allocated Contingency
81	14	Contract Amendment No. 008 - Platform screen gates installation	1,899.184	60 12 - Allocated Contingency
91	14	Contract Amendment No. 008 - Platform screen gates installation	1,899.184	60 12 - Allocated Contingency
101	14	Contract Amendment No. 008 - Platform screen gates installation	1,899.184	60 12 - Allocated Contingency
July '14 Contingency Drawdown				
			\$21,181	
July '14 - Ending Contingency Balance				
			\$583.7	
August '14				
		July '14 - Ending Contingency Balance	\$583.7	
11	14	Contract Amendment No. 008 - Delay in issuance of Notice-to-Proceed 2 & 3	11,529.200	60 12 - Allocated Contingency
21	14	Contract Amendment No. 008 - Delay in issuance of Notice-to-Proceed 2 & 3	11,529.200	60 12 - Allocated Contingency
31	14	Contract Amendment No. 008 - Delay in issuance of Notice-to-Proceed 2 & 3	11,529.200	60 12 - Allocated Contingency
41	14	Contract Amendment No. 008 - Delay in issuance of Notice-to-Proceed 2 & 3	11,529.200	60 12 - Allocated Contingency
51	14	Contract Amendment No. 008 - Delay in issuance of Notice-to-Proceed 2 & 3	11,529.200	60 12 - Allocated Contingency
61	14	Contract Amendment No. 008 - Delay in issuance of Notice-to-Proceed 2 & 3	11,529.200	60 12 - Allocated Contingency
71	14	Contract Amendment No. 008 - Delay in issuance of Notice-to-Proceed 2 & 3	11,529.200	60 12 - Allocated Contingency
81	14	Contract Amendment No. 008 - Delay in issuance of Notice-to-Proceed 2 & 3	11,529.200	60 12 - Allocated Contingency
91	14	Contract Amendment No. 008 - Delay in issuance of Notice-to-Proceed 2 & 3	11,529.200	60 12 - Allocated Contingency
101	14	Contract Amendment No. 008 - Delay in issuance of Notice-to-Proceed 2 & 3	11,529.200	60 12 - Allocated Contingency
August '14 Contingency Drawdown				
			\$4,329.168	
August '14 - Ending Contingency Balance				
			\$558.4	
September '14				
		August '14 - Ending Contingency Balance	\$558.4	
11	14	Budget Transfer for Contract Award above Airport Station Utility Construction original budget	1,473.000	60 12 - Allocated Contingency
21	14	Budget Transfer for Contract Award above Airport Station Utility Construction original budget	1,473.000	60 12 - Allocated Contingency
31	14	Budget Transfer for Contract Award above Airport Station Utility Construction original budget	1,473.000	60 12 - Allocated Contingency
41	14	Budget Transfer for Contract Award above Airport Station Utility Construction original budget	1,473.000	60 12 - Allocated Contingency
51	14	Budget Transfer for Contract Award above Airport Station Utility Construction original budget	1,473.000	60 12 - Allocated Contingency
61	14	Budget Transfer for Contract Award above Airport Station Utility Construction original budget	1,473.000	60 12 - Allocated Contingency
71	14	Budget Transfer for Contract Award above Airport Station Utility Construction original budget	1,473.000	60 12 - Allocated Contingency
81	14	Budget Transfer for Contract Award above Airport Station Utility Construction original budget	1,473.000	60 12 - Allocated Contingency
91	14	Budget Transfer for Contract Award above Airport Station Utility Construction original budget	1,473.000	60 12 - Allocated Contingency
101	14	Budget Transfer for Contract Award above Airport Station Utility Construction original budget	1,473.000	60 12 - Allocated Contingency
September '14 Contingency Drawdown				
			\$6,358.16	
September '14 - Ending Contingency Balance				
			\$558.1	
October '14				
		September '14 - Ending Contingency Balance	\$558.1	
11	14	Contract Amendment No. 008 - WOPHI Contingency Allocation for CSC	181,509.200	60 11 - Unallocated Contingency
21	14	Contract Amendment No. 008 - WOPHI Contingency Allocation for CSC	181,509.200	60 11 - Unallocated Contingency

HART Project Contingency Drawdown with Details

Data as of 1/29/16

Project No.	Project Description	Budget Transfer/Change Description	Contingency Drawdown (+/-)	Contingency Code
01	2015 Central Contingency Budgets	Executed Change Approved (in 001) - 001 Central Highway DB	1,148,000.00	00.00 - Unallocated Contingency
		Dec '16 Contingency Drawdown	1,148,000.00	
		Dec '16 - Ending Contingency Balance	\$487.3	
		Jan '16	\$487.3	
01	001-130 HART Oahu / Arriving Highway Gateway DB	Executed Change Approved (in 001) - 001 Equipment Installation	4,708,924.00	00.00 - Unallocated Contingency
01	001-200 Maintenance & Storage Facility DB	Executed Change Approved (in 001) - 001 Direct Procurement Contract	4,727,674.00	00.00 - Unallocated Contingency
01	001-250 Airport Extension Gateway / Interconnection	Executed Change Approved (in 001) - 001 Mechanical & Electrical Packages	4,501,000.00	00.00 - Unallocated Contingency
01	001-255 Airport Extension Gateway / Interconnection	Executed Change Approved (in 001) - 001 Civil / Foundation Change Approved (in 001) - 001	4,249,100.00	00.00 - Unallocated Contingency
01	001-255 Airport Extension Gateway / Interconnection	Jan '16 Contingency Drawdown	4,143,600.00	
		Jan '16 - Ending Contingency Balance	\$487.4	
		January '16 - Board Approved Changes Only - Pending Execution		
01	001-130 HART Oahu / Arriving Highway Gateway DB	Executed Change Approved (in 001) - 001 Station Access	1,148,142.00	00.00 - Unallocated Contingency
01	001-130 HART Oahu / Arriving Highway Gateway DB	Executed Change Approved (in 001) - 001 Carpool Impact	1,148,142.00	00.00 - Unallocated Contingency
		Subtotal Board Approved Contingency Drawdown	1,148,142.00	
		Jan '16 - Ending Contingency Balance (Pending Execution)	\$483.8	

Appendix C. Project Cost Reports (data as of Jan. 29, 2016)

Cost reports are run from the HART Contract Management System (CMS)

Project Costs by Contract



Costs Reported as of Month Ending January 2016
Project Monthly Cost Report by Contract - One Line Summary
 1/29/16

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CPP No	Title	A		B	C=A+B		D	E	F
		Original	COMMITTED Changes		Current*	AFE**			
A RT	TSM	124,000	0	124,000	0	124,000	0	0	0%
CCH-100	Inactive Hart/City CCH	15,348,443	0	15,348,443	0	15,348,443	0	14,925,228	97%
CCH-101	HART/City Dept of BFS	105,092	0	105,092	0	105,092	0	0	0%
CCH-102	HART/City DDC Land Division	256,201	0	256,201	0	256,201	0	173,182	68%
CCH-107	HART/City Corporation Counsel (CDR)	1,816,253	250,000	1,866,253	0	1,866,253	250,000	152,899	8%
CCH-108	HART / Board of Water Supply (BWS)	928,325	0	928,325	0	928,325	0	928,325	100%
DB-120	West Oahu/Farrington Hwy Guideway DB	482,924,000	161,000,758	643,924,758	0	643,924,758	643,924,758	520,950,837	81%
DB-200	Maintenance & Storage Facility DB	195,258,000	79,427,819	274,685,819	0	274,685,819	207,716,553	244,796,061	89%
DB-320	Kamehameha Hwy Guideway DB	372,150,000	16,817,876	388,967,876	0	388,967,876	389,043,091	201,404,960	52%
DBB-171	West Oahu Station Group DBB	56,088,470	0	56,088,470	0	56,088,470	56,088,470	0	0%
DBB-185	SPCD - West Side S.G. Construction	0	0	0	0	0	0	0	0%
DBB-271	Farrington Highway Station Group DBB	78,999,000	0	78,999,000	0	78,999,000	78,999,000	0	0%
DBB-275	SPCD-Pearl Highlands Pkg. Str. Constr.	0	0	0	0	0	0	0	0%
DBB-371	Kamehameha Hwy Stations Grp. DBB	115,808,845	0	115,808,845	0	115,808,845	0	0	0%
DBB-385	Ramp H2R2	5,203,646	0	5,203,646	0	5,203,646	5,203,646	177,345	3%
DBB-470	SPCD-Airport Station Group Constr.	0	0	0	0	0	0	0	0%
DBB-505	Airport Section Utilities Constr. DBB	27,993,290	0	27,993,290	0	27,993,290	28,418,574	9,844,953	35%
DBB-510	City Ctr. Section Util. Constr. DBB	0	0	0	0	0	0	0	0%
DBB-520	SPCD-Airport-City Center Gdway Cntr.	0	0	0	0	0	0	0	0%
DBB-525	Airport Section Guideway 7 Pier DBB	3,973,000	54,843	4,027,843	0	4,027,843	4,027,843	4,027,843	100%
DBB-580	SPCD-Dillingham/Kaka'ako S.G. Cntr.	0	0	0	0	0	0	0	0%
DBB-600	Park-and-Ride Lcts. Construction	0	0	0	0	0	0	0	0%
DBO M-920	Core Systems Design Build O/M	573,782,793	25,318,394	599,101,187	0	599,101,187	583,588,675	177,772,782	30%
FD-140	West Oahu Station Group FD	7,789,000	2,275,305	10,064,305	0	10,064,305	9,926,311	9,199,096	91%
FD-240	Farrington Highway Stations Group FD	9,300,696	4,981,349	14,282,045	0	14,282,045	13,939,393	12,577,157	88%
FD-245	SPCD-Pearl Highlands Pkg. Str. FD	0	0	0	0	0	0	0	0%
FD-340	Kamehameha Hwy Station Group FD	8,702,592	1,156,698	9,859,290	0	9,859,290	9,828,016	9,177,277	93%
FD-480	SPCD-Airport Sect. Guideway/Util. FD	38,840,960	4,293,512	43,134,472	0	43,134,472	43,134,472	41,471,470	96%
FD-440	SPCD-Airport Station Group FD	10,177,365	1,396,487	11,573,852	0	11,573,852	10,635,793	9,801,978	85%
FD-530	SPCD - City Center Guideway/Util. FD	43,948,220	2,249,342	46,197,562	0	46,197,562	43,581,241	40,930,503	89%
FD-550	SPCD - Dillingham and Kaka'ako S.G. FD	18,321,918	986,124	19,308,042	0	19,308,042	15,732,737	11,875,668	62%
FD-600	Park-and-Ride Lcts Final Design	0	0	0	0	0	0	0	0%
HRT-200	HART Labor	45,951,942	0	45,951,942	0	45,951,942	0	45,247,479	98%

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* Current Committed = Original Contract + CCO/Amendment

** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)

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Costs Reported as of Month Ending January 2016
Project Monthly Cost Report by Contract - One Line Summary
 1/29/16

CPP No	Title	A		B		C=A+B		D		E		F	
		Original	Changes	COMMITTED	Current*	AFE**	AFE**	Incurred To Date	PERCENT				
HRT-201	HART ODC Contracts	15,381,154	0	15,381,154	15,381,154	130,100	13,213,703	0	121%				
M1-900	Fare Collection DFI	0	0	0	0	0	0	0	0%				
M1-930	Elevators & Escalators Install/Maint	50,982,714	0	50,982,714	50,982,714	5,442,108	5,207,281	0	10%				
MM-280	SPCD-WORH/KHSG CE&I(REPA/CKA/GED)	0	0	0	0	0	0	0	0%				
MM-290	Construction Engrg & Insp CEI West	54,232,480	0	54,232,480	54,232,480	16,650,000	22,739,487	0	42%				
MM-385	SPCD-Pearl Highlands Garage Rmps CEI	0	0	0	0	0	0	0	0%				
MM-500	SPCD-By MM939 CEI East	0	0	0	0	0	0	0	0%				
MM-525	SPCD-By MM939 CEI East	0	0	0	0	0	0	0	0%				
MM-530	SPCD-By MM939 CEI East	0	0	0	0	0	0	0	0%				
MM-595	SPCD - Const. Engrg & Insp. CEI East	63,083,417	-47,826,417	15,257,000	15,257,000	(32,569,417)	12,382,150	0	81%				
MM-596	Construction Engrg & Insp CEI East 2	55,036,130	0	55,036,130	55,036,130	55,036,130	994,809	0	2%				
MM-600	SPCD-UHWO Pig-Hoopili Stn Fresh CEI	0	0	0	0	0	0	0	0%				
MM-900	Program Mgt. Support Const (PM SC-1)	15,952,569	0	15,952,569	15,952,569	20,700,000	0	0	0%				
MM-901	Program Mgt. Support Const (PM SC-2)	33,376,937	7,616,277	40,993,274	40,993,274	342,971,67	38,296,561	0	93%				
MM-905	MM-905 Gen Engrg Const EIS/PE	0	78,564,942	78,564,942	78,564,942	150,000,000	74,157,822	0	94%				
MM-910	MM-910 Gen Engrg Const FD-Construct	150,000,000	0	150,000,000	150,000,000	150,000,000	149,446,962	0	100%				
MM-913	MM-913 Gen Engrg Reconnect	46,143,277	268,451	46,411,728	46,411,728	31,214,951	24,952,730	0	54%				
MM-915	HOOT Traffic Mgmt. Consult.	1,600,000	2,400,000	4,000,000	4,000,000	5,000,000	3,046,304	0	76%				
MM-920	HOOT Coordination Const WOFH	3,000,000	7,500,000	10,500,000	10,500,000	10,000,000	6,614,555	0	63%				
MM-921	HOOT Coordination Const KHG	10,000,000	-1,400,000	8,600,000	8,600,000	5,000,000	4,007,909	0	47%				
MM-922	HOOT Coordination Const Airport	12,000,000	-5,600,000	6,400,000	6,400,000	3,000,000	2,554,231	0	40%				
MM-923	HOOT Coordination Const City Center	0	0	0	0	0	0	0	0%				
MM-925	HOOT Labor - WOFH/KHG Agreements	550,000	1,265,633	1,815,633	1,815,633	3,081,266	1,686,057	0	93%				
MM-926	HOOT Labor - Airport Agreements	0	0	0	0	0	0	0	0%				
MM-930	HOOT State SDA Manager & Consultant	1,272,400	583,142	1,855,542	1,855,542	843,167	873,849	0	47%				
MM-935	Real Estate Consultant	3,000,000	4,227,665	7,227,665	7,227,665	7,227,165	5,878,445	0	81%				
MM-937	Real Estate Consultant - Maps/Surv.	2,398,000	0	2,398,000	2,398,000	1,500,000	508,128	0	17%				
MM-940	Kakao Consultant	1,000,000	0	1,000,000	1,000,000	500,000	521,592	0	52%				
MM-941	Kakao Consultant II	200,000	0	200,000	200,000	200,000	0	0	0%				
MM-945	On-Call Contractor	1,000,000	1,000,000	2,000,000	2,000,000	1,800,000	1,927,308	0	96%				
MM-946	On-Call Hazmat Removal Contractor	3,075,000	0	3,075,000	3,075,000	1,000,000	2,639,856	0	86%				
MM-947	On-Call Contractor 2	7,500,000	0	7,500,000	7,500,000	4,500,000	2,815,972	0	38%				
MM-950	O/CIP Consultant	1,250,000	0	1,250,000	1,250,000	1,250,000	989,844	0	79%				

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* Current Committed = Original Contract + CCO/Amendment
 ** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)



Costs Reported as of Month Ending January 2016
Project Monthly Cost Report by Contract - One Line Summary
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CPP No	Title	A		B		C=A+B		D		E		F	
		Original	Changes	COMMITTED	Current *	AFE**	AFE**	Incurred To Date	Incurred To Date	PERCENT	PERCENT		
MM-951	Owner-Controlled Insurance Program	41,000,000	0	41,000,000	41,000,000	0	0	26,494,012	65%				
MM-960	Archeological & Cultural Monitoring	1,658,474	0	1,658,474	1,658,474	1,010,609	1,304,910	79%					
MM-962	Core Systems Support	43,988,989	0	43,988,989	43,988,989	3,600,000	13,409,220	30%					
MM-964	Safety and Security Consultant	4,688,573	112,751	4,812,324	4,812,324	4,012,751	2,880,036	60%					
MM-970	Fare Collection Consultant	1,184,398	0	1,184,398	1,184,398	0	0	0%					
MM-975	LEED Commissioning Services for MSF	278,630	9,910	288,540	288,540	288,540	137,295	48%					
O&M	Operating/Maintenance Contracts	280,970	-59,970	222,000	222,000	141,000	199,030	90%					
OTHER	All Project Wide Documents	0	0	0	0	0	0	0%					
PA-101	Programmatic Agreement Humanities	0	0	0	0	0	0	0%					
PA-102	Programmatic Agreement HPC	400,000	0	400,000	400,000	200,000	176,809	44%					
PA-103	Programmatic Agreement HP C Park Impr	0	0	0	0	0	0	0%					
ROW	Real Estate / Right-of-Way	99,885,511	0	99,885,511	99,885,511	121,992	94,265,872	94%					
UTIL	Utility Company Contracts	95,526,631	-2,646,298	92,880,333	92,880,333	71,077,643	44,385,364	48%					
Total Project:		2,935,679,264	346,225,692	3,281,904,956	3,281,904,956	2,630,036,985	1,920,749,741						

* Current Committed = Original Contract + CCO/Amendment

** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)

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Project Costs by SCC – Summary

Costs Reported as of Month Ending: January 2016

Project Monthly Cost Report by SCC Summary
1/29/16

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SCC	Title	A		B		C=A+B		D	E	F	G	H=C-G	I
		Baseline	Transfers	BUDGET	Current	COMMITTED	AFE**	Changes ID'd***	Est. At Completion****	Variance	Incurred To Date		
1. Subtotal 10 - 80 SCC Costs													
10.	Guideway & Track Elements	1,114,215,147	44,846,259	1,159,061,406	549,301,852	36,027,088	(2,189,484)	1,159,061,406	0	0	0	0	291,852,524
20.	Stations, Stops, Terminals, Intermodal	421,804,740	(3,205,951)	418,598,789	301,879,029	0	0	418,598,789	0	0	0	0	5,207,281
30.	Support Facilities, Yards, Shops, Admin	92,335,015	22,702,810	115,237,825	115,237,825	18,894,161	0	115,237,825	0	0	0	0	92,276,667
40.	Sitework & Special Conditions	983,178,121	23,305,614	1,006,683,735	730,049,203	163,148,188	6,398,058	1,006,683,735	0	0	0	0	546,734,745
50.	Systems	221,284,301	27,474,531	248,758,832	233,604,717	27,038,099	0	248,758,832	0	0	0	0	99,535,841
60.	ROW, Land, Existing Improvements	197,397,947	529,621	197,927,568	104,102,326	1,216,815	5,000,000	197,927,568	0	0	0	0	100,461,132
70.	Vehicles	186,829,020	4,645,501	191,474,521	191,474,521	1,446,224	0	191,474,521	0	0	0	0	35,564,255
80.	Professional Services	1,087,830,119	35,621,029	1,123,451,148	1,048,998,571	98,386,704	605,099	1,123,451,148	0	0	0	0	786,500,144
A.C.	Provisional Pay Requests	0	0	0	0	0	0	0	0	0	0	0	22,024,727
Subtotal:		4,305,074,410	156,119,414	4,461,193,824	3,275,248,045	347,157,279	9,813,673	4,461,193,824	0	0	0	0	1,920,157,318
2. NTP													
NTP	Authorized For Expenditure	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal:		0	0	0	0	0	0	0	0	0	0	0	0
3. Contingency													
CNTR	Allocated Contingency	541,689,343	(88,967,135)	452,722,208	6,656,911	4,019,120	273,613,098	442,722,208	0	0	0	0	592,425
PRJ	Unallocated Contingency	101,871,170	(57,151,278)	44,719,891	0	0	0	44,719,891	0	0	0	0	0
Subtotal:		643,560,513	(146,118,414)	497,442,099	6,656,911	4,019,120	273,613,098	487,442,099	0	0	0	0	592,425
4. Finance Charges - Eligible													
OTH	Finance Charges	173,058,248	0	173,058,248	0	0	0	173,058,248	0	0	0	0	0
Subtotal:		173,058,248	0	173,058,248	0	0	0	173,058,248	0	0	0	0	0
FTA TOTAL PROJECT COSTS 5,421,693,166													
		0	0	5,421,693,166	3,281,904,956	2,630,036,965	283,426,772	5,421,693,166	0	0	0	0	1,920,749,741
4. Finance Charges - Ineligible Costs													
FINC	Finance Charges	42,000,000	0	42,000,000	0	0	0	42,000,000	0	0	0	0	0
Subtotal:		42,000,000	0	42,000,000	0	0	0	42,000,000	0	0	0	0	0
INELIGIBLE COSTS													
		0	0	42,000,000	0	0	0	42,000,000	0	0	0	0	0
Total Project:		5,463,693,166	0	5,463,693,166	3,281,904,956	2,630,036,965	283,426,772	5,463,693,166	0	0	0	0	1,920,749,741

* Current Committed = Original Contract + CCO/Amendment
 ** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)
 *** Changes Identified= Pending + Probable + Potential Changes
 **** Est. At Completion = Original Contract + CCO/Amendments + Changes Identified

Project Costs by SCC – Level 2



Costs Reported as of Month Ending January 2016
 Project Monthly Cost Report by SCC Details
 1/29/16

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SCC	Title	A		B		C-A+B		D	E	F	G	H=C-G	I
		Baseline	Transfers	BUDGET	Transfers	Current	Current	COMMITTED	AFE	Changes ID'd***	Est. At Completion****	Variance	Incurred To Date
1. Subtotal 10 - 80 SCC Costs													
10.00	Guideway & Track Elements	1,114,215,147	44,846,259	1,159,061,406	549,901,852	17,378	36,027,088	1,159,061,406	0	(2,188,484)	1,159,061,406	0	281,852,524
10.02	Guideway: A-grade semi-exclusive	0	17,378	17,378	17,378	0	17,378	17,378	0	0	17,378	0	17,378
10.04	Guideway: Aerial Structure	1,022,880,871	42,558,232	1,064,938,963	485,287,209	6,436,256	27,053,555	1,064,938,963	0	(2,188,484)	1,064,938,963	0	240,308,507
10.08	Guideway: Retained Cut or Fill	7,492,944	(1,056,888)	6,436,256	6,436,256	0	0	6,436,256	0	0	6,436,256	0	0
10.09	Track: Direct Fixation	79,347,205	2,392,250	81,739,455	78,932,259	2,697,875	8,323,279	81,739,455	0	0	81,739,455	0	51,485,763
10.11	Track: Ballasted	3,293,724	(595,849)	2,697,875	2,697,875	0	0	2,697,875	0	0	2,697,875	0	0
10.12	Track: Special (Switches, turnouts)	1,700,803	1,530,876	3,231,479	1,530,876	3,231,479	30,876	3,231,479	0	0	3,231,479	0	30,876
20.00	Stations/Stops/Terminals/Intermodal	421,804,740	(3,205,951)	418,598,789	301,879,029	0	0	418,598,789	0	0	418,598,789	0	5,207,281
20.01	A-grade station, stop, shelter...	6,111,332	(6,111,332)	0	0	0	0	0	0	0	0	0	0
20.02	Aerial Station, stop, shelter, mail	294,563,457	6,643,858	301,207,310	250,896,315	0	0	301,207,310	0	0	301,207,310	0	0
20.06	Automobile parking multi-story str	66,408,765	0	66,408,765	0	0	0	66,408,765	0	0	66,408,765	0	0
20.07	Elevators, Escalators	54,721,186	(3,738,472)	50,982,714	50,982,714	0	0	50,982,714	0	0	50,982,714	0	5,207,281
30.00	Support Facilities: Yards, Shops, Admin	92,535,015	22,702,810	115,237,825	115,237,825	18,894,161	18,894,161	115,237,825	0	0	115,237,825	0	92,276,667
30.01	Administration Bldg: Office, sales	0	205,266	205,266	205,266	0	205,266	205,266	0	0	205,266	0	181,435
30.02	Light Maintenance Facility	7,591,888	(5,095)	7,586,793	7,586,793	0	0	7,586,793	0	0	7,586,793	0	4,789,299
30.03	Heavy Maintenance Facility	38,099,138	5,108,668	43,207,806	43,207,806	5,350,776	5,350,776	43,207,806	0	0	43,207,806	0	30,360,549
30.04	Storage or Maintenance of Wagon Bull	7,797,460	819,670	8,617,130	8,617,130	881,220	881,220	8,617,130	0	0	8,617,130	0	6,983,345
30.05	Yard and Yard Track	39,046,529	16,574,301	55,620,830	55,620,830	12,456,899	12,456,899	55,620,830	0	0	55,620,830	0	49,938,039
40.00	Sitework & Special Conditions	983,478,121	23,505,614	1,006,983,735	730,049,203	163,148,188	6,398,058	1,006,983,735	0	0	1,006,983,735	0	546,734,745
40.01	Demolition, Clearing, Earthwork	29,980,158	(9,349,680)	20,630,478	-10,527,249	1,229,005	246,000	20,630,478	0	0	20,630,478	0	2,882,002
40.02	Site Utilities, Utility/Relocation	299,449,756	(519,014)	298,930,742	195,851,841	40,407,015	94,081	298,930,742	0	0	298,930,742	0	115,606,443
40.03	Haz. mat'l, contain'd soil removal	9,199,237	(5,288,691)	3,910,606	3,454,088	149,088	(391,304)	3,910,606	0	0	3,910,606	0	2,788,944
40.04	Environmental Mitigation	26,979,122	4,990,976	31,970,098	16,557,672	16,864	16,864	31,970,098	0	0	31,970,098	0	11,384,137
40.05	Site structures, retaining walls,	7,998,960	6,540,840	14,539,800	10,221,628	274,780	4,647,403	14,539,800	0	0	14,539,800	0	4,970,987
40.06	Pedestrian/bike access/landscaping	41,073,897	(6,105,894)	34,968,003	5,219,868	(4,566)	478,020	34,968,003	0	0	34,968,003	0	50,000
40.07	Auto, bus, van accessways	181,979,367	(18,453,760)	163,525,607	37,644,738	1,577,242	1,324,868	163,525,607	0	0	163,525,607	0	5,533,464
40.08	Temporary Facilities/Indirect Cost	386,517,624	51,684,57	438,202,381	450,592,101	153,858,760	0	438,202,381	0	0	438,202,381	0	403,518,768
50.00	Systems	221,284,901	27,474,531	248,759,432	233,604,717	27,038,039	0	248,759,432	0	0	248,759,432	0	39,535,841
50.01	Train control and signals	81,382,556	24,381,140	106,363,696	106,363,696	23,961,050	0	106,363,696	0	0	106,363,696	0	2,250,972
50.02	Traffic signals and crossing prot.	10,458,226	(206,890)	10,251,336	0	0	0	10,251,336	0	0	10,251,336	0	0
50.03	Traction power supply: substation	29,500,926	1,379,880	30,880,806	30,880,806	(87,485)	0	30,880,806	0	0	30,880,806	0	4,751,819

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* Current Committed = Original Contract + CCO/Amendment

** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)

*** Changes Identified= Pending + Probable + Potential Changes

**** Est. At Completion = Original Contract + CCO/Amendments + Changes Identified

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Costs Reported as of Month Ending January 2016
Project Monthly Cost Report by SCC Details
 1/29/16

SCC	Title	A		B		C=A+B		D		E		F		G		H=C-G		I	
		Baseline	Transfers	BUDGET	Transfers	Current	COMMITTED	Current*	AFE**	AFE**	Changes ID'd***	ESTIMATE AT COMPLETION	Variance	Incurred To Date					
1. Subtotal 10 - 80 SCC Costs																			
50. Systems		221,284,301	27,474,531	248,758,832	233,604,717	27,038,099	0	248,758,832	0	39,535,841	0	0	0	0	0	0	0	0	39,535,841
50.04	Traction power distribution: care	32,878,150	5,059,838	37,937,988	33,023,111	7,941,115	0	37,937,988	0	16,942,485	0	0	0	0	0	0	0	0	16,942,485
50.05	Communications	53,691,339	6,133,477	59,824,816	59,824,816	5,573,419	0	59,824,816	0	16,722,456	0	0	0	0	0	0	0	0	16,722,456
50.06	Fare collection system and equiptme	9,159,277	(9,112,878)	46,399	52,437	(10,350,000)	0	46,399	0	(1,131,901)	0	0	0	0	0	0	0	0	(1,131,901)
50.07	Central Control	3,613,827	(160,036)	3,453,791	3,453,791	0	0	3,453,791	0	0	0	0	0	0	0	0	0	0	0
60. ROW, Land, Existing Improvements		197,397,947	528,621	197,926,568	104,102,326	1,216,815	5,000,000	197,926,568	0	100,461,132	0	0	0	0	0	0	0	0	100,461,132
60.01	Purchase or lease of real estate	179,360,664	250,821	179,611,485	91,256,849	39,015	5,000,000	179,611,485	0	88,932,869	0	0	0	0	0	0	0	0	88,932,869
60.02	Relocation of existing households	18,037,283	277,800	18,315,083	12,845,477	1,177,800	0	18,315,083	0	11,468,262	0	0	0	0	0	0	0	0	11,468,262
70. Vehicles		186,823,020	4,645,501	191,468,521	191,474,521	1,446,224	0	191,474,521	0	35,564,255	0	0	0	0	0	0	0	0	35,564,255
70.01	Light Rail	166,721,386	5,847,191	172,568,577	172,568,577	1,446,224	0	172,568,577	0	27,771,794	0	0	0	0	0	0	0	0	27,771,794
70.06	Non-revenue vehicles	14,346,923	(1,320,375)	13,026,548	13,026,548	0	0	13,026,548	0	7,792,461	0	0	0	0	0	0	0	0	7,792,461
70.07	Spare parts	5,760,711	118,685	5,879,396	5,879,396	0	0	5,879,396	0	0	0	0	0	0	0	0	0	0	0
80. Professional Services		1,087,830,119	35,621,029	1,123,451,148	1,048,999,571	99,396,704	605,099	1,123,451,148	0	786,500,144	0	0	0	0	0	0	0	0	786,500,144
80.01	Preliminary Engineering	94,055,262	24,644,185	118,699,447	109,567,127	20,905,682	0	118,699,447	0	103,615,648	0	0	0	0	0	0	0	0	103,615,648
80.02	Final Design	226,321,632	(6,894,093)	221,427,539	205,063,191	30,351,265	(4,959,963)	221,427,539	0	165,462,729	0	0	0	0	0	0	0	0	165,462,729
80.03	Project Management Design & Cons	363,849,768	(28,315,655)	335,534,113	382,637,089	73,840,630	(17,504,214)	335,534,113	0	316,416,743	0	0	0	0	0	0	0	0	316,416,743
80.04	Constr. Admin. & Management	199,656,728	(35,030,307)	164,626,421	111,535,544	(42,849,088)	0	164,626,421	0	86,260,814	0	0	0	0	0	0	0	0	86,260,814
80.05	Professional Liability & other hs	46,549,724	28,781,938	75,331,662	49,174,657	7,000,500	0	75,331,662	0	28,443,156	0	0	0	0	0	0	0	0	28,443,156
80.06	Legal: Permits Review Fees e.t.c.	67,641,005	(3,206,464)	64,434,541	38,203,525	5,032,033	0	64,434,541	0	21,511,322	0	0	0	0	0	0	0	0	21,511,322
80.07	Surveys, Testing, Investigation, I	21,759,396	47,172,110	68,931,446	101,200,960	1,496,194	0	68,931,446	0	30,669,640	0	0	0	0	0	0	0	0	30,669,640
80.08	Start up	65,996,664	8,469,316	74,465,980	57,616,477	9,909,403	(576,809)	74,465,980	0	34,100,093	0	0	0	0	0	0	0	0	34,100,093
80.09		0	0	0	0	0	0	0	0	23,646,085	0	0	0	0	0	0	0	0	23,646,085
A.C. Provisional Pay Requests		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ACR. Provisional Request For Payment		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal:		4,305,074,410	156,118,414	4,461,192,824	3,275,246,045	347,167,279	9,819,673	4,461,192,824	0	1,920,157,316	0	0	0	0	0	0	0	0	1,920,157,316
2. NTP																			
NTP Authorized For Expenditure		0	0	0	0	2,278,860,587	0	2,278,860,587	0	0	0	0	0	0	0	0	0	0	0
NTP Notice To Proceed		0	0	0	0	2,278,860,587	0	2,278,860,587	0	0	0	0	0	0	0	0	0	0	0
Subtotal:		0	0	0	0	2,278,860,587	0	2,278,860,587	0	0	0	0	0	0	0	0	0	0	0

* Current Committed = Original Contract + CCO/Amendment
 ** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)
 *** Changes Identified- Pending + Probable + Potential Changes
 **** Est. At Completion = Original Contract + CCO/Amendments + Changes Identified



Costs Reported as of Month Ending January 2016
Project Monthly Cost Report by SCC Details
 1/29/16

SCC	Title	A		B		C=A+B		D	E	F	G	H=C-G	I
		Baseline	Transfers	BUDGET	COMMITTED	Current	Current*	AFE**	Changes ID'd***	ESTIMATE AT COMPLETION	Variance	Incurred To Date	
3. Contingency													
CNR	Allocated Contingency	541,689,343	(98,967,135)	442,722,208	6,656,911	4,019,120	273,613,098	442,722,208	0	592,425	0	592,425	
90.02	Allocated Contract Contingency	540,101,323	(101,140,864)	438,960,465	4,019,120	4,019,120	271,579,371	438,960,465	0	592,425	0	592,425	
90.03	Allowances	1,588,014	2,173,729	3,761,743	2,637,791	0	2,033,727	3,761,743	0	0	0	0	
90.07	Known Change Contingency	0	0	0	0	0	0	0	0	0	0	0	
PRJ	Unallocated Contingency	101,871,170	(57,151,279)	44,719,891	0	0	44,719,891	44,719,891	0	0	0	0	
90.01	Unallocated Project Contingency	101,871,170	(57,151,279)	44,719,891	0	0	44,719,891	44,719,891	0	0	0	0	
Subtotal:		643,360,513	(156,118,414)	487,442,099	6,656,911	4,019,120	273,613,098	487,442,099	0	592,425	0	592,425	
4. Finance Charges - Eligible													
OTH	Finance Charges	173,058,243	0	173,058,243	0	0	173,058,243	173,058,243	0	0	0	0	
100.1	Finance Charges:Project-Eligible	173,058,243	0	173,058,243	0	0	173,058,243	173,058,243	0	0	0	0	
Subtotal:		173,058,243	0	173,058,243	0	0	173,058,243	173,058,243	0	0	0	0	
FIA TOTAL PROJECT COSTS		5,421,693,166	(0)	5,421,693,166	3,281,904,956	2,630,036,985	283,426,772	5,124,693,166	0	1,920,749,741	0	1,920,749,741	
4. Finance Charges - Ineligible Costs													
FINC	Finance Charges	42,000,000	0	42,000,000	0	0	42,000,000	42,000,000	0	0	0	0	
100.2	FTA Non-Eligible Costs	42,000,000	0	42,000,000	0	0	42,000,000	42,000,000	0	0	0	0	
Subtotal:		42,000,000	0	42,000,000	0	0	42,000,000	42,000,000	0	0	0	0	
INELIGIBLE COSTS		42,000,000	0	42,000,000	0	0	42,000,000	42,000,000	0	0	0	0	
Total Project:		5,463,693,166	(0)	5,463,693,166	3,281,904,956	283,426,772	5,163,693,166	5,163,693,166	0	1,920,749,741	0	1,920,749,741	

* Current Committed = Original Contract + CCO/Amendment
 ** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)
 *** Changes Identified= Pending + Probable + Potential Changes
 **** Est. At Completion = Original Contract + CCO/Amendments + Changes Identified

Appendix D. Procurement and Contract Status

Awarded Contracts						
Contract Code	Contract Name	Contractor Name	Advertise Date	Contract Date	Issue NTP	Contract Substantial Completion Date
DB-120	West O'ahu/Farrington Highway Guideway (WOFH)	Kiewit Infrastructure West Company (KIWC)	Apr 03 '09	Nov 11 '09	Dec 01 '09	Jul 04 '16
DB-200	Maintenance and Storage Facility (MSF)	Kiewit / Kobayashi Joint Venture (KKJV)	Jul 24 '09	June 30 '11	Jul 25 '11	May 02 '16
DB-320	Kamehameha Guideway (KHG)	Kiewit Infrastructure West Company (KIWC)	Mar 19 '08	June 30 '11	Jul 12 '11	Sep 16 '16
DBOM-020	Core Systems Contract	Ansaldo Honolulu JV	Aug 17 '09	Nov 28 '11	Jan 13 '12	Mar 21 '19
MI-930	Elevators and Escalators	Schindler Elevator Corporation	Dec 18 '12	Jul 31 '13	Aug 02 '13	May 21 '18
FD-140	West O'ahu Station Group Final Design and Support	URS Corporation	Jun 14 '08	Jun 14 '12	Jun 15 '12	Jun 30 '16
FD-240	Farrington Highway Station Group Final Design and Support -2	URS Corporation	Jun 10 '13	Sep 27 '13	Sep 30 '13	Nov 14 '16
FD-340	Kamehameha Highway Station Group Final Design (includes H2/R2 Ramp) and	Anil Verma Associates, Inc.	Jun 28 '11	Nov 16 '12	Nov 26 '12	Jun 14 '17
FD-430	Airport Section Guideway and Utilities Final Design and Support	AECOM Technical Services, Inc.	Jan 26 '11	Dec 22 '11	Jan 05 '12	Jan 30 '17
FD-630	City Center Section Guideway and Utilities Final Design and Support	AECOM Technical Services, Inc.	Dec 16 '11	Jul 30 '12	Jul 31 '12	Apr 20 '18
FD-440	Airport Station Group Final Design and Support	AECOM Technical Services, Inc.	Mar 30 '12	Nov 7 '12	Nov 14 '12	Jul 15 '17
FD-650	Dillingham and Kaka'ako Station Groups "East Side Stations" Final Design and	Perkins+Will	Nov 16 '12	Aug 15 '13	Aug 19 '13	Jul 30 '18
MM-290	Construction Engineering & Inspection West Side Sections	PGH Wong Engineering, Inc.	Jul 26 '13	Jan 9 '14	Jan 09 '14	Mar 01 '19
MM-696	Construction Engineering & Inspection East Side Sections	URS Corporation	Jul 26 '13	Jan 07 '14	Jan 09 '14	Oct 09 '15
MM-901	Program Management Support Consultant -2 (PMSC-2)	InfraConsult LLC	Aug 03 '11	Feb 28 '12	Mar 08 '12	Mar 07 '16
MM-910	General Engineering Consultant II (GEC-2) (Final Design and Construction)	Parsons Brinckerhoff	Sep 03 '09	Jun 30 '11	Aug 02 '11	Dec 31 '14
MM-913	General Engineering Consultant III (GEC-3)	CH2M HILL	Jul 26 '13	Dec 5 '13	Dec 05 '13	Apr 5 '19
MM-936	Real Estate Consultant	Paragon Partners, Ltd.	Apr 01 '11	Mar 14 '12	Mar 14 '12	Mar 13 '17
MM-937	Real Estate Mapping & Surveying	R.M. Towill Corporation	Nov 15 '13	May 22 '14	May 23 '14	Dec 30 '17
MM-940	Kāko'o Consultant	Pacific Legacy, Inc.	May 20 '11	Mar 29 '12	Mar 30 '12	Feb 14 '17
MM-941	Section 106 Programmatic Agreement Project Manager Kāko'o II	Honua Consulting	Jun 26 '15	Dec 08 '15	Jan 04 '16	2 years + option to extend up to 4 years
MM-950	Owner-Controlled Insurance Program (OCIP) Consultant	Marsh USA, Inc.	Jan 31 '12	May 10 '12	Jun 05 '12	May 09 '17
MM-951	Owner-Controlled Insurance Program (OCIP) Brokerage Services	Aon Risk Services, Inc., of Hawaii	Jun 04 '13	Apr 09 '14	Apr 09 '14	Mar 30 '19
MM-960	Archaeological & Cultural Monitoring	Cultural Surveys Hawai'i	Sep 10 '13	Jan 15 '14	Jan 15 '14	May 30 '18
MM-962	CORE Systems Support	Lea+Elliott, Inc.	Sep 13 '13	Feb 10 '14	Feb 11 '14	Mar 01 '19
MM-964	Safety / Security Support	Lawson & Associates, Inc.	Oct 23 '13	Apr 23 '14	May 01 '14	Dec 14 '17
MM-975	LEED Commissioning Services for the Maintenance and Storage Facility (MSF)	Enovity, Inc.		Oct 6 '10	Oct 07 '10	May 02 '16
PA-102	Historic Architecture Design Services	Fung Associates, Inc.	Mar 15 '13	Aug 1 '13	Aug 01 '13	May 01 '16
MM-915	HDOT Traffic Management Coordination Consultant	ICX Transportation Group, Inc.	Aug 15 '11	Jun 5 '12	Jun 12 '12	Jun 11 '17
MM-920	HDOT Design Coordination Consultant - West O'ahu/Farrington Highway	AECOM Technical Services, Inc.		Jun 7 '11	Jun 08 '11	Jun 07 '16
MM-921	HDOT Design Coordination Consultant - Kamehameha Highway Guideway Section	AECOM Technical Services, Inc.		Jun 28 '12	Jun 29 '12	Jun 28 '17
MM-922	HDOT Design Coordination Consultant - Airport and City Center Guideway	SSFM International, Inc.		Jun 8 '12	Jun 12 '12	Jun 11 '17
MM-925	HDOT Labor Master Agreement WOFH	HDOT		Oct 27 '10	Oct 27 '10	Oct 27 '19
MM-945	On-Call Construction Contractor	Royal Contracting Co. Ltd.	Jun 02 '14	Aug 6 '14	Aug 14 '14	Mar 03 '19
MM-946	On-Call Hazardous Materials (HazMat) Removal Contractor	CH2M HILL		Aug 23 '12	Sep 07 '12	Feb 15 '17
MM-947	On-Call Construction Contractor II	Royal Contracting Co. Ltd.	Mar 17 '15	May 21 '15	May 21 '15	May 21 '20
MM-696	Construction Engineering and Inspection (CE&I) "II" Contract	Stantec Consulting Services	Mar 25 '15	Sep 10 '15	Sep 14 '15	Dec 31 '19
MM-970	Fare Collection System Technical Support Consultant	CH2M HILL	Mar 24 '15	Oct 22 '15	Oct 23 '15	Dec 31 '19
DBB-386	Ramp H2R2	Royal Contracting Co. Ltd.	Jan 30 '15	May 18 '15	May 18 '15	Jun 17 '16
DBB-606	Airport Section Utilities Construction	Nan, Inc.	Dec 17 '13	Jun 30 '14	Oct 6 '14	Mar 07 '16
DBB-626	Airport Section Guideway Seven (7) Pier Construction Contract	HDCC / CJA JV	Jul 09 '14	Sep 18 '14	Sep 18 '14	Apr 22 '15
DBB-271	Farrington Hwy Stations Group Construction	Hawaiian Dredging Construction Company, Inc.	Dec 19 '14	Jun 22 '15	Aug 17 '15	NTP+ 29 months
DBB-171	West O'ahu Stations Group Construction	Nan, Inc.	Apr 13 '15	Jul 20 '15	Oct 13 '15	NTP+ 29 months
DBB-371	Kamehameha Hwy Stations Group Construction	Nan, Inc.	Aug 18 '15	Nov 17 '15	TBD	NTP+ 32 months

Remaining Contracts						
Contract Code	Contract Name	Advertise Date	Bids Due/Part 1 Proposals Due	RFP Part 2 Proposals Due	Issue NTP	Projected Contract Substantial Completion Date
AP00	Art-in-Transit	May 9 '13	-	-	TBD	TBD
DB-450	Airport Guideway and Stations	Apr 07 '15	Aug 11 '15	Mar 22 '16	TBD	NTP + 53 months
DB-550	City Center Guideway and Stations	Aug 04 '15	Nov 18 '15	Jul 14 '16	TBD	NTP + 50 months
MI-900	Fare Systems Contract	Aug 11 '15	Nov 13 '15	-	Apr 14 '16	NTP + 120 months + 2 year option
	Independent Financial Auditor "II" Contract	Oct 26 '15	Dec 01 '15	-	TBD	NTP + 48 months
MM-947	On-Call Construction Contract "III"	Feb 23 '16	Mar 31 '16	-	TBD	NTP + 84 months
MM-981	Complex Real Property Negotiations and Litigation Support Contract	Feb 23 '16	Apr 04 '16	-	TBD	NTP + 24 months + 2 year option
DBB-600	East Kapolei and UH/West O'ahu Park and Ride Lots	Nov 14 '16	Feb 15 '17	-	Apr 03 '17	Mar 01 '19

Appendix F. DBE Participation

HART has established a Disadvantaged Business Enterprise (DBE) program in accordance with the regulations of the U.S. Department of Transportation (USDOT), Title 49, Code of Federal Regulations, Part 26 (49 CFR Part 26). To be certified as a DBE, a firm must be small business owned and controlled by socially and economically disadvantaged individuals.

FTA funds totaling approximately \$1.764 billion in year of expenditure dollars (\$1.550 billion New Starts funds plus \$0.214 billion Section 5307/ARRA funds) will be expended for Project related goods and services. A project goal of 13% or approximately \$229 million dollars has been established for awards to DBEs through Federal Fiscal Year 2018.

It is the policy of HART to ensure that DBEs as defined in 49 CFR Part 26 have an equal opportunity to receive and participate in USDOT-assisted contracts.

DBE Participation (9/24/07 to 2/29/16)						
DBE Firm	NAICS Code	Race	Sex	Contract Number	Participation to Date	Total DBE Participation
David's Fencing	238990	APA	M	CT-HRT-10H0137 DB-120	\$6,800	
				CT-DTS-1100195 DB-320	\$129,816	
				CT-HRT-1000449 DB-200	\$69,339	\$205,955
Glad's Landscaping	561730	APA	M	CT-HRT-10H0137 DB-120	\$303,790	\$303,790
Don's Makiki	484110	APA	M	CT-HRT-10H0137 DB-120	\$537,031	
				CT-HRT-10H0449 DB-200	\$81,581	
				CT-DTS-1100195 DB-320	\$60,714	\$679,326
Pacific Preferred Contractors Corp.	237310	APA	M	CT-HRT-10H0137 DB-120	\$85,043	\$85,043
PAC Electric	238210	APA	F	CT-HRT-10H0137 DB-120	\$5,836,436	\$5,836,436
PMJ Builders	238310	APA	M	CT-HRT-10H0137 DB-120	\$43,866	
				CT-DTS-1100195 DB-320	\$107,100	\$150,966
Standard Sheetmetal & Mechanical	236220	APA	M	CT-HRT-10H0449 DB-200	\$6,105	\$6,105
LP&D Hawaii	541320	APA	M	SC-DTS-1100013 FD-240	\$219,911	\$219,911
Ace Land Surveying	541370	NA	M	SC-DTS-1100013 FD-240	\$38,700	\$38,700
Integrated Security Tech.	561621	O	F	CT-HRT-1200106 DBOM-920	\$105,180	\$105,180
LKG-CMC	541618	O	F	SC-HRT-11H0131 MM-905	\$2,600,462	
				SC-DTS-0700001 **** MM-910	\$2,783,277	
				SC-HRT-1400051 MM-595	\$271,047	
				SC-HRT-1400049 MM-962	\$319,949	\$5,974,735
Lawson & Associates	541690	O	F	SC-HRT-11H0131 MM-905	\$740,962	
				SC-DTS-0700001 **** MM-910	\$150,141	
				SC-HRT-1400061 MM-964	\$1,125,620	\$2,016,723
Gary K. Omori	541618	APA	M	SC-HRT-11H0131 MM-905	\$388,609	

DBE Participation (9/24/07 to 2/29/16)						
DBE Firm	NAICS Code	Race	Sex	Contract Number	Participation to Date	Total DBE Participation
				SC-DTS-0700001 **** MM-910	\$392,920	\$781,529
Pat Lee & Assoc.	541618	APA	M	SC-HRT-11H0131 MM-905	\$402,791	
				SC-DTS-0700001 **** MM-910	\$374,110	\$776,901
212 Harakawa	541430	APA	F	SC-HRT-11H0131 MM-905	\$358,141	
				SC-DTS-0700001 **** MM-910	\$354,758	\$712,899
JAD & Associates	541330	APA	M	SC-DTS-0700001 **** MM-910	\$508,355	\$508,355
Pacific Architects	541310	APA	M	SC-DTS-0700001 **** MM-910	\$39,273	\$39,273
Nagame Okawa*	541310	APA	M	SC-DTS-0700001 MM-910	\$67,014	\$67,014
Consulting Structural Hawaii	541330	APA	M	SC-DTS-0700001 **** MM-910	\$298,557	\$298,557
Bright Light Marketing Group	541613	APA	F	SC-HRT-1200038 FD-430	\$162,813	
				SC-HRT-1200149 FD-530	\$191,227	
				SC-HRT-1300022 FD-440	\$134,912	\$488,952
Ki Concepts	541320	APA	M	SC-HRT-1200077 MM-922/923	\$26,550	\$26,550
Miyabara Associates	541320	APA	M	SC-HRT-1300022 FD-440	\$99,850	\$99,850
Anil Verma Associates, Inc.**	541350	HA	M	SC-HRT-1200111 FD-340	\$3,820,005	\$3,820,005
AMR Estimating Services ***	541330	HA	M	SC-HRT-11H0131 MM-905	\$135,281	
				SC-HRT-1400027 MM-913	\$817,270	\$952,551
The Nakoa Companies	541620	NA	M	CT-HRT-1200106 DBOM-920	\$3,843	\$3,843
Hawaiya Technologies	238210	APA	F	CT-HRT-10H0449 DB-200	\$27,514	
				CT-HRT-1200106 DBOM-920	\$20,142	\$47,656
Element Environmental	541620	APA	M	SC-HRT-1400050 MM-290	\$1,506,887	\$1,506,887
PSC Consultants	541330	APA	M	SC-HRT-1400050 MM-290	\$544,183	
				SC-HRT-1400051 MM-595	\$10,197	\$554,380
Bow Construction Management	541330	APA	M	SC-HRT-1400050 MM-290	\$121,532	\$121,532
FIC, LLC	541611	APA	M	SC-HRT-1400051 MM-595	\$1,299,481	\$1,299,481
The Solis Group	541620	O	F	SC-HRT-1400027 MM-913	\$1,153,505	\$1,153,505
Island Hauling	484110	APA	M	CT-HRT-1000449 DB-200	\$272,490	\$272,490
ADS System Safety Consulting *****	541620	BA	M	SC-HRT-1400061 MM-964	\$1,594,410	\$1,594,410
Dovetail Consulting	541330	BA	F	MOU-11-SO-1 MM-930	\$847,741	\$847,741
Amazon Construction Co.	238990	APA	F	CT-HRT-1500056 MM-945	\$446,558	\$446,558

DBE Participation (9/24/07 to 2/29/16)						
DBE Firm	NAICS Code	Race	Sex	Contract Number	Participation to Date	Total DBE Participation
Aloha Steel	238120	APA	M	CT-HRT-1500056 MM-945	\$176	
				CT-HRT-1400323 DBB-505	\$34,988	\$35,164
Carol Kwan Consulting	561730	O	F	CT-HRT-1500056 MM-945	\$13,291	\$13,291
Total						\$32,092,244

* Nagame Okawa's countable participation is limited to the period from 1/2/09 to 2/16/10. The company graduated from the DBE program on 2/16/10.
 ** Anil Verma Associates, Inc. is a prime contractor and was certified as a DBE effective 6/26/13.
 *** AMR Estimating Services, Inc. was certified as a DBE effective 10/25/13.
 **** DBE participation from 9/24/07 to 9/17/13.
 ***** ADS System Safety Consulting was certified as a DBE effective 8/7/14.

Race Categories

APA	Persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands, (Republic of Palau), the Commonwealth of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Juvalu, Nauru, Federated States of Micronesia or Hong Kong
BA	Persons having origins in any of the black racial groups of Africa
HA	Persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin regardless of race
NA	Persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians
SAA	Persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka
O	Any other group whose members are designated as socially and economically disadvantaged by the SBA

Appendix G. Risk

Risk by Contract Package				
Contract Packages ^(Notes)	Jan. 2016 # of Risks	February 2016 Update		
		Total # of Risks	New Risks	Deleted Risks
Project Wide	6	6	0	0
West Oahu/Farrington Guideway ⁽¹⁾	15	11	0	4
Pearl Highlands Garage	4	4	0	0
Maintenance and Storage Facility ⁽²⁾	4	5	1	0
Kamehameha Highway Guideway ⁽³⁾	15	16	1	0
Core Systems Contract ⁽⁴⁾	9	10	1	0
Elevator/Escalator	4	4	0	0
Airport Utilities	4	4	0	0
Farrington Highway Stations	5	5	0	0
Ramp H2R2	1	1	0	0
West Oahu Stations	5	5	0	0
Kamehameha Highway Stations ⁽⁵⁾	5	4	0	1
Airport Guideway & Stations	26	26	0	0
City Center Guideway & Stations	34	34	0	0
Total	137	135	3	5

Notes:

(1) - Three risks (74.03, 97.03, and 115.03) deleted and one risk (196.03) shifted from WOFH to KHG (now 196.04).
(2) - One new risk (201.07) added for MSF.
(3) - One risk (196.04) was transferred to KHG from WOFH (was 196.03).
(4) - One new risk (202.08) added for CSC.
(5) - One risk (145.12) deleted from KHSB.

Comparison of Risk Ratings								
Contract Package/Section	January 2016 # of Risks				February 2016 Update # of Risks			
	Total	High	Medium	Low	Total	High	Medium	Low
Project Wide	6	2	3	1	6	2	3	1
West Oahu/Farrington Guideway	15	1	12	2	11	1	8	2
Pearl Highlands Garage	4	1	3	0	4	1	3	0
Maintenance and Storage Facility	4	0	1	3	5	0	2	3
Kamehameha Highway Guideway	15	2	8	5	16	2	10	4
Core Systems Contract	9	1	6	2	10	1	7	2
Elevator/Escalator	4	2	2	0	4	2	2	0
Airport Utilities	4	1	2	1	4	1	2	1
Farrington Highway Stations	5	1	4	0	5	1	4	0
Ramp H2R2	1	0	1	0	1	0	1	0
West Oahu Stations	5	0	5	0	5	0	5	0
Kamehameha Highway Stations	5	0	4	1	4	0	3	1
Airport Guideway & Stations	26	4	20	2	26	4	20	2
City Center Guideway & Stations	34	10	20	4	34	10	21	3
Total	137	25	91	21	135	25	91	19

Appendix H. Project Organization Chart

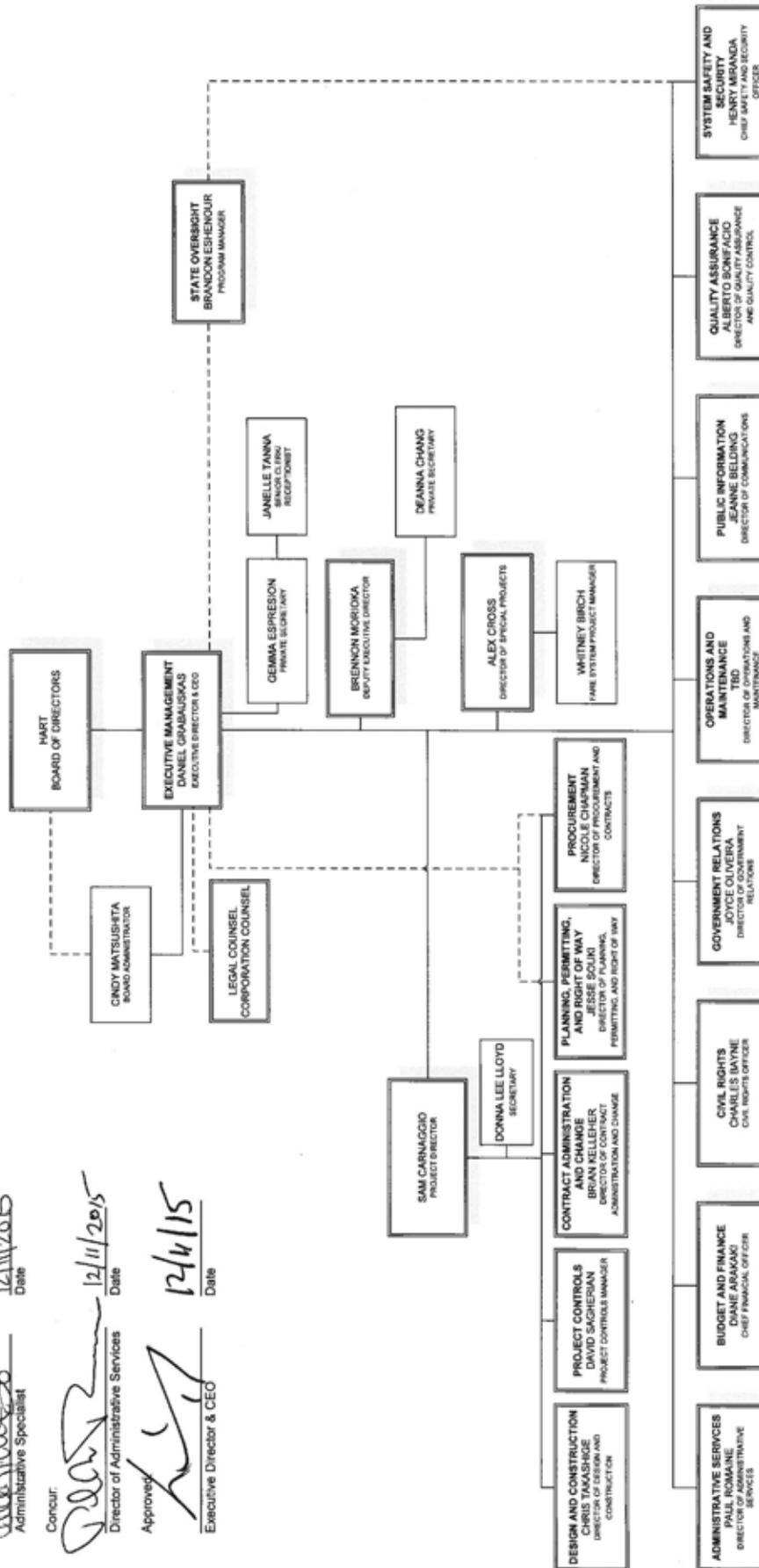
December 11, 2015

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Prepared by: [Signature]
 Administrative Specialist
 Date: 12/11/2015

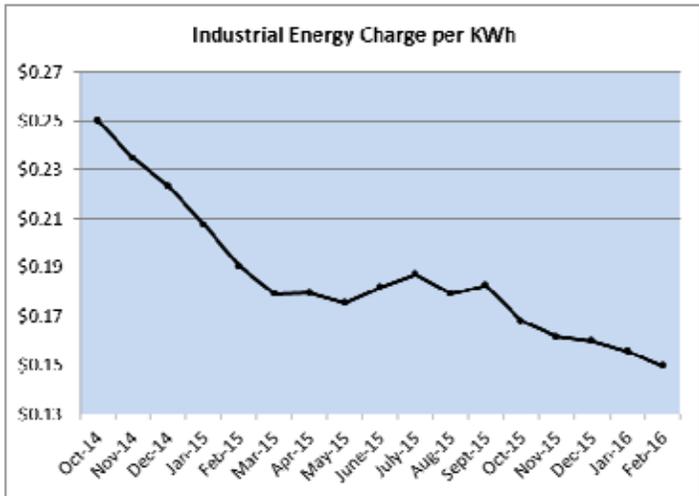
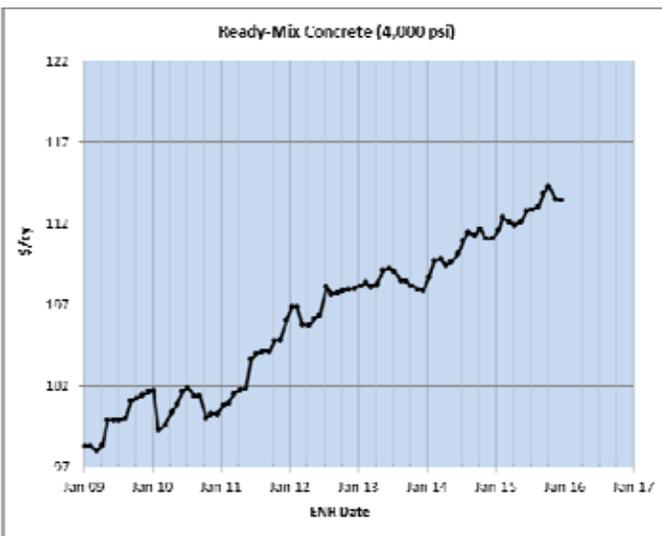
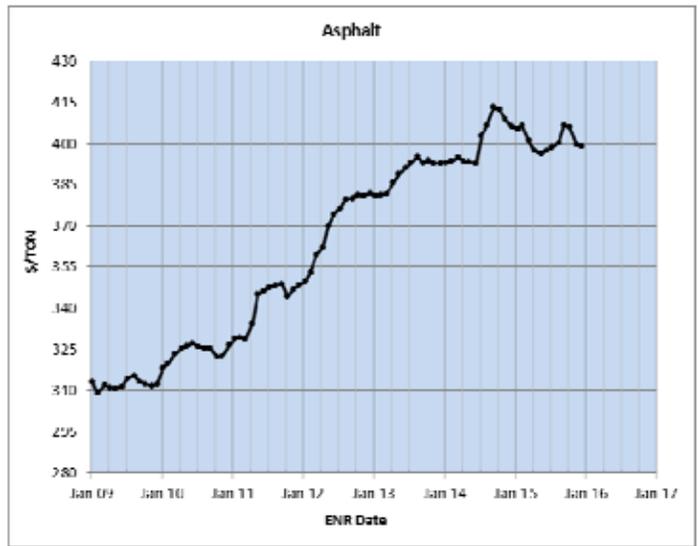
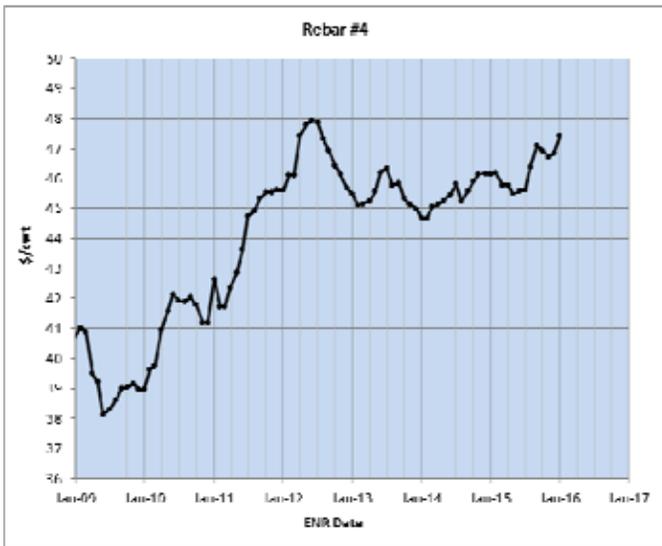
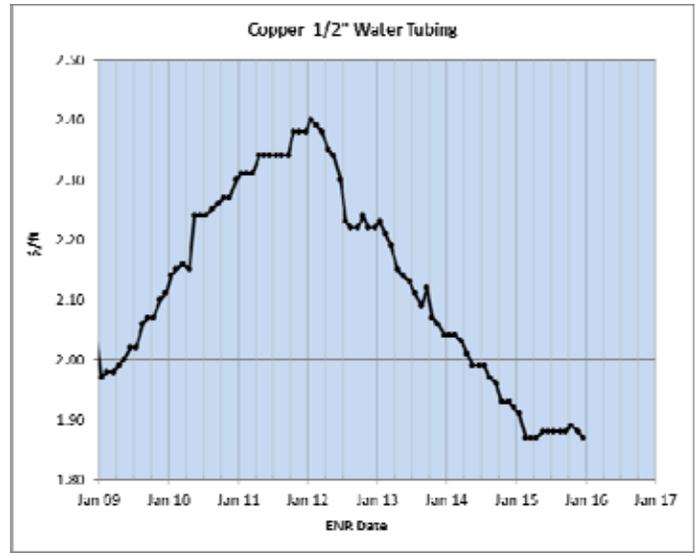
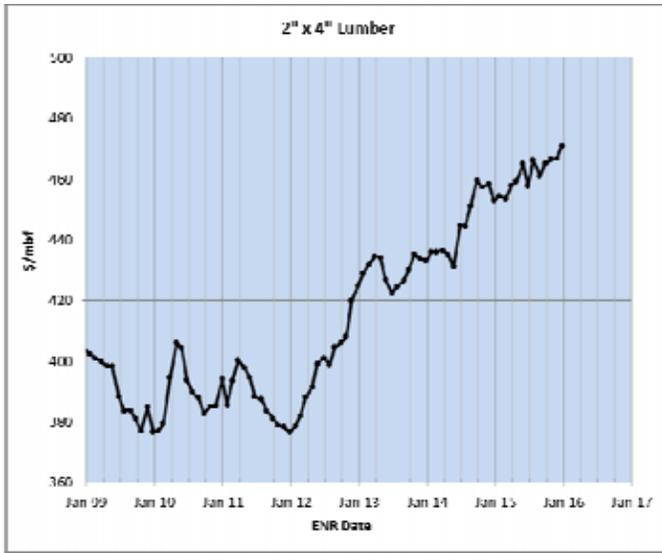
Concur: [Signature]
 Director of Administrative Services
 Date: 12/11/2015

Approved: [Signature]
 Executive Director & CEO
 Date: 12/4/15



Appendix I. Indices on Key Commodities

The following charts represent the cost trends on some of the key materials used in the program.



Source: HECO: Effective Rate Summary for P Rate

Appendix J. Project Photos



Guideway construction in West O'ahu.



Equipment storage site.



Balanced Cantilever construction near the H-1/H-2 Freeway merge.



Construction near the H-1/H-2 Freeways.



Construction along Kamehameha Highway.



Future Aloha Stadium Station.



Operations and Servicing Building (OSB).



Wheel Truing Building and OSB.



Maintenance of Way Building.



Casting Yard.

ATTACHMENT F

PMOC MONTHLY REPORT

Honolulu Rail Transit Project
City and County of Honolulu
Honolulu Authority for Rapid Transportation (HART)
Honolulu, HI

February 2016 (FINAL)

PMOC Contract Number: DTFT60-14-D-00012
Task Order No. 3: Honolulu Rail Transit Project
Project No: DC-27-5288
Work Order No. 1
OPs Referenced: OP 1 and 25

Jacobs Engineering Group, Inc.

319 E. Warm Springs Road, Suite 200, Las Vegas, Nevada 89119

William Tsiforas, (702) 938-5400, william.tsiforas@jacobs.com

Length of Time Assigned: Five Years (February 18, 2015 through February 17, 2020)

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- Appendix D: Project Overview and Map (Transmitted as a separate file)
- Appendix E: Safety and Security Checklist (Transmitted as a separate file)

1.0 EXECUTIVE SUMMARY

1.1 Project Description

- **General Description:** The Project is a 20-mile-long elevated fixed guideway rail system along Oahu’s south shore between East Kapolei and Ala Moana Center. The Project will include 21 stations. The alignment is elevated, except for a 0.6-mile at-grade portion at the Leeward Community College station. The Project is planned to be delivered in four guideway segments.
 - Segment I (West Oahu/Farrington Highway) – East Kapolei to Pearl Highlands (7 miles/6 stations)
 - Segment II (Kamehameha Highway) – Pearl Highlands to Aloha Stadium (4 miles/3 stations)
 - Segment III (Airport) – Aloha Stadium to Middle Street (5 miles/4 stations)
 - Segment IV (City Center) – Middle Street to Ala Moana Center (4 miles/8 stations)
- **Length:** 20 miles
- **No. of Stations:** 21
- **Additional Facilities:** Maintenance and Storage Facility and parking facilities
- **Vehicles:** 80 vehicles
- **Ridership Forecast:** Weekday boardings – 104,300 (2020); 119,600 (2030)

1.2 Project Status

- Overall project is approximately 43.0% complete as of December 2015. The planned completion at this time is approximately 61% (based on HART’s S-curve late plan).
- Overall design of the project is approximately 87.8% complete as of December 2015. The planned completion at this time is approximately 98.2% (based on HART’s S-curve late plan). However, this percent complete may change as a result of utilizing DB procurement strategy for the Airport and City Center guideway and stations sections.
- Overall construction of the project is approximately 35.1% complete as of December 2015. The planned completion at this time is approximately 53.4% (based on HART’s S-curve late plan). Section 2.1.3 and Appendix B of this report provide the status of the current design and construction contracts. The following table provides the summary level status of the primary construction contracts:

Description	% Complete*		Schedule Status
	Actual**	Planned	
West Oahu /Farrington Highway (WOFH) DB Contract	81.1%	88%	6 months behind
Kamehameha Highway Guideway (KHG) DB Contract	49.7%	92%	12 months behind
Maintenance and Storage (MSF) DB Contract	85.5%	90%	On time
Core Systems Design-Build-Operate-Maintain (DBOM) Contract	28.4%	40%	6 months behind***
Airport Advanced Utilities Construction Contract	31.4%	70%	7 months behind
Farrington Highway Station Group Construction Contract	0%	0%	On time
West Oahu Station Group Construction Contract	0%	0%	On time

*As of November 2015

** HART’s assessment of Earned Value, which is based on a weighted expenditure calculation of the contract and is not a true Earned Value calculation.

***Contract schedule is to be re-baselined to incorporate new milestone dates due to re-procurement of Westside Stations Group and use of DB for the eastside guideway and stations.

1.3 Core Accountability Items

Project Status: FFGA		Original at FFGA	Current Estimate
Cost	Cost Estimate	\$5,122,000,000	\$5,122,000,000**
Contingency	Unallocated Contingency	\$101,900,000	\$11,500,000
	Total Contingency (Allocated plus Unallocated)	\$643,600,000	\$303,000,000
Schedule	Revenue Service Date (RSD)	1/31/2020	1/31/2020***
Total Project Percent Complete	Based on Expenditures	43.0% (as of December 25, 2015)	
	Based on Earned Value*	43.0%	

*HART's assessment of Earned Value, which is based on the weighted expenditure calculation of the individual construction and design contracts and is not a true Earned Value calculation

**Does not reflect HART's current EAC, which has not been validated and does not include all known potential costs.

***Does not reflect changes to Master Project Schedule, which is under revision.

Major Issues	Status	Comments/Planned Action
Cost Increase & Schedule Delays	HART has experienced delays and has incurred costs as a result of the state and federal lawsuits as well as protested procurements.	See PMOC Monthly Report Section 1.4 for status.
Post-Rod Changes	HART is considering several proposed design changes that may require additional environmental review.	FTA and HART hold bi-weekly meetings to discuss the status of any potential changes. HART has submitted or will submit information on each proposed change for FTA to determine the level of documentation required to assess impacts and subsequent mitigation measures.
Hawaii Electric Company (HECO)	50-foot clearance requirement for facility maintenance including pole replacement	See PMOC Monthly Report Section 1.4 for status.
Next Quarterly Meeting:	To be determined	

1.4 PMOC Issues or Concerns

- HART has presented information that forecasts an increase to project costs and an extension of the overall completion date for the project:
 - GET Extension – HART staff proposed the use of a 4% growth rate in the updated Financial Plan, which would add \$1.524 billion through the 5-year extension of the GET.
 - Master Project Schedule – Staff provided the following preliminary targets for Revenue Service Dates (RSD):
 - Phase 1 Milestone Ready for Revenue Service to Aloha Stadium – 3rd Quarter 2018
 - Phase 2 Milestone Ready for Revenue Service (full system) – 4th Quarter 2021
 - Project Cost Update – Staff provided the following preliminary information:
 - Updated Estimate at Completion (EAC) – \$6.5 billion

The Governor signed the bill on July 14, 2015. The City Council will need to amend an ordinance to enact the tax extension. On January 27, 2016, the City Council approved Bill 23 to extend collection of the GET to December 2027.

- Cost Containment/Cost Reduction Measures – The PMOC has discussed the project cost on a monthly basis with HART in an effort to ensure that cost issues are proactively addressed. HART has recently implemented Cost Containment and Cost Reduction measures in an effort to mitigate the cost increase. These efforts include:
 - Review of contract general terms and conditions to eliminate unique conditions and ambiguities that result in added costs
 - Significant revision of the project’s contract packaging strategy to simplify interface and create cost reduction opportunities through contractor proposed innovations
 - Development of a detailed cost reduction matrix that focuses on the remaining construction contracts (Value Engineering)
 - Review of interface milestones to help relieve schedule compression where possible
 - Review of various options related to financing of the project
 - Identification of items that could be considered Operations & Maintenance costs
 - Development of a HART Decision Milestone Matrix.

The PMOC will continue to hold Cost Containment Workshops with HART on a monthly basis to review the Cost Reduction Measures Matrix and HART’s Decision Milestone Matrix. Nevertheless, it is still anticipated that the Project cost will exceed the FFGA budget. Therefore, HART should initiate plans that identify Secondary Mitigation Measures and being implementation.

- HART intends to build an interim park-and-ride facility at the University of Hawaii West Oahu Station. This facility would be in use until the developer completes the structure over the Kaloi Channel that allows for access to the permanent location of the park-and-ride facility. HART is evaluating the issue to determine whether to use federal or local funds to build the interim facility. UH-West Oahu intends to use the interim facility for campus parking after HART no longer has need for the facility. However, it is not known how long the interim facility will be in use before the permanent facility can be constructed. If federal funds are to be used, clarification is needed to determine the anticipated period that the facility would be utilized by HART.
- Hawaiian Electric Companies (HECO)
 - HECO has a collective bargaining agreement that has different wage scales and allows payment to its labor forces biweekly, which does not satisfy Davis-Bacon. HECO has requested a waiver that has so far been denied by the Department of Labor (DOL), although HECO has appealed. Meanwhile, HECO is still paying a wage scale that is less than the prevailing wages required by the DOL. HART may have to pay for HECO prevailing wages if the appeal is denied by DOL. The potential HECO prevailing wage costs are not reflected in HART’s revised EAC. If the appeal is denied, it is unclear whether HART would be required to pay

HECO's prevailing wage costs retroactively to cover any field work that has been completed by HECO for the project. HART and HECO met with DOL officials in September 2015. DOL submitted several questions, which will be responded to by HECO. The USDOL ruling for compliance is pending receipt of HECO's responses. HECO will start paying wages on a weekly basis instead of bi-weekly. However, the HECO wage rates will not change unless a ruling is made by the USDOL. HECO will continue to pay wages on a weekly basis even if the ruling is favorable or unfavorable.

- 50-foot Clearance Issue – HART has assembled a Task Force Committee to review all options to help mitigate clearance issues.

HART has made the determination that they will underground HECO lines along a section of the Airport Segment (9 poles) and on a significant portion of Dillingham Boulevard within the City Center Segment (1.8 miles). However, HART has not resolved several issues including design responsibility, sequencing, milestone dates, etc. The MPS also does not contain sufficient detail to assess the impact of undergrounding the lines.

The PMOC had recommended that HART defer issuance of the RFP Part II for the City Center Guideway and Stations until they have more resolution on the undergrounding of the HECO lines. HART did defer RFP Part II, but intends to issue it in early February 2016. There are still a number of issues that must be resolved and addressed through addenda to the RFP.

If HART is required to underground all affected lines, it would have a significant impact on the project costs and schedule. HART has indicated that they have incorporated some exposure into their EAC and MPS for this, but not enough to cover the full cost and time if the HECO clearance preferred solution requires complete undergrounding. This is currently HART's most significant risk to the project.

- HECO Relocation Services – Relocations are ongoing. HART has indicated that HECO has been able to complete relocations in advance such that the WOFH and KHG contracts have not been impacted. No relocations have been required for station contracts yet. All relocation locations are discussed at weekly coordination meetings.
- HECO has identified equipment that may mitigate the 46KV distribution line relocations. The equipment manufacturer is Altec, and HECO will test the equipment for approximately three months. HART may be responsible for acquisition of the equipment if it is found to be acceptable by HECO. HART requested the equipment designer to be present during testing to possibly modify equipment so that it could be used for both 46 KV and 138KV lines.

- Buy America – There are 15 Train Control & Communication Rooms (TCCR) along the guideway corridor. Each TCCR will “house” only Train Control and Communications equipment for the Core Systems Contract. HART wanted to ensure that Train Control and Communications equipment will comply with federal Buy America regulations in 49 CFR 661. HART was recently informed by CSC Contractor that the Variable Refrigerant Flow (VRF) air conditioning equipment in the TCCR will not be sourced from the USA. These equipment items are not included in the 49 CFR 661.11 (t) & (u) list. HART sought clarification from FTA that Buy America regulation would allow them to be foreign and still comply with the minimum 60% domestic content requirement of the “rolling stock end product” as described at Appendix A to 49 CFR 661.3. FTA determined and informed HART that FTA does not find that the VRF is either train control or communications equipment and, as such, is not rolling stock for purposes of 49 CFR 661.11. HART has indicated they are now preparing a Waiver Request for the Train Control and Communications Equipment Variable Refrigerant Flow. HART submitted a Waiver Request to FTA on February 8, 2016.

AHJV has changed the truck body supplier for the LRVs. AHJV is verifying the calculation for Buy America percentage for the vehicles and will submit that information to HART for review.

2.0 BODY OF REPORT

2.1.1 Project Status

- Overall project is approximately 43.0% complete as of December 2015. The planned completion at this time is approximately 61.0% (based on S-curve late plan).
- Overall design of the project is approximately 87.8% complete as of December 2015. The planned completion at this time is approximately 98.2% (based on S-curve late plan). However, this percent complete may change as a result of utilizing DB procurement strategy for the Airport and City Center guideway and stations sections.
- Overall construction of the project is approximately 35.1% complete as of December 2015. The planned completion at this time is approximately 53.4% (based on S-curve late plan).
- Section 2.1.3 and Appendix B of this report provide the status of the current design and construction contracts. Section 2.1.3 and Appendix B of this report provide the status of the current design and construction contracts.

2.1.2 Status of Procurement

- Kamehameha Highway Station Stations Group – Bids were received November 17, 2015. Engineers Estimate was \$108M. Watts Construction was the apparent low bidder with \$112.7M but they were found to non-responsive. Watts filed a protest that was denied by HART. Watts did not appeal HART’s decision and the deadline for an appeal has passed. HART awarded the contract to Nan, Inc. on January 27, 2016.
- Airport Guideway and Stations DB Contract – Final date for submission of Alternate Technical Concepts was December 18, 2015. RFP Part II responses (price and technical) are due March 22, 2016. A Best and Final Offer (BAFO) is possible, but HART does not intend to utilize. If BAFO is used, it could affect schedule. Award is anticipated to occur in May 2016.
- City Center Guideway and Stations DB Contract – RFP Part I responses were received November 18, 2015. RFP Part II is to be issued February 2, 2016. Award is tentatively scheduled for September 2016. HART intended to utilize WOFH/KHG precast site for City Center DB Contract. However, negotiations to continue having access to site are not progressing quickly enough. Therefore, HART has identified an alternative location. If this alternative location is utilized, it would require Post-ROD approval from FTA. The PMOC emphasized that it is critical for HART to resolve this issue to support the procurement schedule and to not further delay the RFP process.
- Dillingham Utilities and Road Widening – HART will eliminate this package. This work will be completed under the City Center Guideway and Stations DB Contract and through an On-Call Construction Contract.
- Pearl Highlands Parking Structure DB Contract – HART is reviewing various options including partial buildout to support RSD and full buildout under a Public Private Partnership (PPP). HART staff will begin updating a DB package that could be advertised in summer 2016.
- Fare Collection System – Request for Proposal (RFP) was issued August 11, 2015. Bids were received on November 13, 2015 and are being evaluated.

- HART indicated that several other contracts were in process to be procured:
 - On-Call Construction III
 - ROW Support II – HART may use funds from SCC 60 already captured for ROW costs or allocated contingency for this contract.
 - Eminent Domain/Legal Support – HART may use funds from SCC 60 already captured for ROW costs or allocated contingency for this contract.
 - Outside Council for Land Court Petition Services – HART may use funds from SCC 60 already captured for ROW costs or allocated contingency for this contract.
 - On-Call Appraiser Contract – HART may use funds from SCC 60 already captured for ROW costs or allocated contingency for this contract.
 - UH West Oahu Temporary Park and Ride and UH West Oahu Campus Road “B”- HART may use allocated contingency to cover costs.
 - Core Systems Back-up Generators – HART captured these costs in forecast for CSC.
 - Photovoltaic for Rail Operations Center (ROC) – HART captured these costs in the forecast for CSC.

2.1.3 Status of Primary Construction Contracts

- West Oahu/Farrington Highway (WOFH) Design-Build (DB) Contract –
 - Contract is approximately 81.1% complete based on earned value (design and construction activities). The planned earned value at this time is approximately 89.2%.
 - The contract is approximately six months behind schedule. The delay is the result of lower-than-planned production rates and lack of site access. HART and KIWC have been working to mitigate impacts to critical path activities. A revised baseline schedule was submitted by the contractor in August 2015 and is under review by HART. It is anticipated that the substantial completion milestone will be modified to reflect the delay.
 - Approximately five miles of guideway have been erected. All shafts are complete and only 33 spans remain to be erected. Guideway construction will be complete in summer 2016.
 - Overall quality of the contract is good, but there are some issues as discussed in Section 2.6 of this report.
- Kamehameha Highway Guideway (KHG) DB Contract –
 - The contract is approximately 49.7% complete based on earned value (design and construction activities). The planned earned value at this time is approximately 93.5%.
 - The contract is approximately 12 months behind schedule. HART has indicated that the delay is the result of lower-than-planned production rates, weather, and failure by the contractor to provide required labor and material to perform required column and foundation work. A revised schedule was submitted in September 2015, re-sequencing the guideway and road work. That schedule is currently being reviewed by HART. Guideway is currently forecasted to be

complete in April 2017. However, the completion of the overall contract has been pushed out to September 2017.

- Guideway erection began in September 2015.
- KIWC has mobilized a third guideway erection truss to help mitigate the WOFH and KHG delays, and overall construction progress has improved over past several months.
- Maintenance and Storage (MSF) DB Contract –
 - The contract is approximately 85.5% complete based on earned value (design and construction activities). The planned earned value at this time is approximately 92%.
 - Building structures are essentially complete with interior buildout continuing.
 - HART has indicated that contract substantial completion is essentially on time and scheduled to be completed in May 2016. However, there appears to be a number of items that must be completed prior to occupancy. PMOC will closely monitor this contract to assess whether the target date for occupancy is realistic.
 - Overall quality of the contract is good.
- Airport Advanced Utilities Construction Contract –
 - Contract is approximately 31.4% complete based on Earned Value. The planned earned value at this time is approximately 35%.
 - The contract is approximately seven months behind schedule. The delay was due to issues with Navy right of entry (ROE) for construction. HART's planned earned value has been adjusted as a result of the delayed access.
- Farrington Highway Station Group Construction Contract –
 - The contract is approximately 0% complete based on HART's earned value calculation. HART's planned earned value at this time is approximately 0%.
 - The baseline schedule has not yet been approved.
 - Construction is anticipated to begin in March 2016.
- West Oahu Station Group Construction Contract –
 - The contract is approximately 0% complete based on HART's earned value calculation. HART's planned earned value at this time is approximately 0%.
 - The baseline schedule has not yet been approved.
 - Construction is anticipated to begin during the First Quarter of 2016.

2.1.4 Status of Core Systems Contract

Core System Description	Status
General	
Overall	<p>Contract is approximately 28.2% complete based on expenditures (design, manufacturing, and construction activities). The planned completion at this time is approximately 40% (based on late plan S-curve).</p> <p>Hitachi, LTD completed its acquisition of Ansaldo Breda and Ansaldo STS on November 2, 2015. HART met with Hitachi representatives and was told that there would be no immediate changes in management or staffing of AHJV.</p>
Design	<p>Following are the approximate levels of design completion</p> <ul style="list-style-type: none"> • LRVs – 100% (Interim Design), 76% (Final Design) • Train Control – 93% (Interim Design), 99% (Final Design) • Traction Power – 100% (Interim Design), 100% (Final Design) • Communications – 100% (Interim Design), 45% (Final Design) • Fire Detection – 100% (Interim Design), 56% (Final Design) • PSG, UPS, MPV – N/A (Interim Design), 78% (Final Design) <p>(Note: HART reports earned value only for the overall contract, not for design of the individual components.)</p>
Testing	Initial testing of the PSG mockup has been postponed until March 2016 due to mechanical issues. The PSG are not on the critical path.
Construction	Construction activity will not begin along guideway until 1Q16.
Schedule	AHJV revised baseline contract schedule was approved. However, re-procurement of Westside Stations Group and use of DB for the eastside guideway and stations will result in another revision to the CSC schedule. Revisions to the station and guideway Construction Access Milestone (CAM) dates will affect substantial completion of the AHJV work. HART anticipates that AHJV will submit a change request for extended overhead and escalation due to delay as a result. HART wants to ensure that the milestone dates it provides AHJV for its schedule update will not change.
Staffing	HART is satisfied with the current staffing levels provided by AHJV.
System Performance Design	There are some concerns with AHJV's method for calculating headways and round-trip times. Alignment changes from Airport and City Center Fixed Facility Contractors may affect system performance. A full analysis was completed by AHJV and approved by HART in September 2015. The System Performance Analysis was reviewed by the PMOC and comments were provided to HART.
Vehicle Subsystem	
Vehicle Schedule	Shipment of the first LRV to Honolulu is scheduled for March 2016. AHJV was having issues with truck supplier (DRS) and has subsequently elected to change the supplier. Delivery of the second LRV is planned for summer 2016. Three (3) Maintenance-of-Way Vehicles (MOW) were delivered on February 8, 2016.

Core System Description	Status
Buy America	<p>HART performed a Buy America Audit of the LRVs. HART intends to report the percentage based on the trainset, not type of car (End and Middle). Based on the trainset, the US content is 63%. Based on the type of car, the percentages are 64% (E car) and 62% (M car), which satisfy the minimum 60% US content for rail vehicles under Buy America.</p> <p>AHJV has changed the truck body supplier for the LRVs. AHJV is verifying the calculation for Buy America percentage for the vehicles and will submit that information to HART for review.</p>
Ship America	AHJV is negotiating terms with a carrier to transport the LRVs from Italy to US mainland and from US mainland to Hawaii. Once that agreement is finalized, HART will provide confirmation to FTA. AHJV received approval from the US Maritime Agency to ship the first 4 vehicles from a non-US carrier.
Traction Electrification Subsystem	
Middle Street AM Antenna	HART has identified an alternate location to relocate the AM Antenna. ROW is working to execute the agreement and relocate. Shielding is no longer necessary.
O&M Subsystem	
MSF O&M	AHJV has provided preliminary MSF Operations Plans, but will resubmit to better follow HART's O&M Plan and FTA guidelines. CSC construction work is anticipated to be completed in late 2016. Fire detection will be completed in April 2016, which is required for occupancy.
Hawaiian Electric Companies (HECO)	
Activation Dates	HART and HECO are coordinating project schedule and HECO activation start dates for power.
Service Requests	AHJV has submitted HECO service requests for all system sites. Design coordination is progressing.

2.1.5 Real Estate Acquisition

- HART has completed all appraisals of required properties identified to date.
- Settlements Not Approved by FTA – Three large settlements have not been approved by FTA. The PMOC met with HART staff to discuss what information should be provided to increase possibility for approval by FTA.
- Resolution of the HECO 50-foot offset issue will add numerous easements to the project. HART is considering a separate consultant team to acquire these parcels. They may elect to use waivers instead of formal appraisals for many of these parcels. FTA increased administrative utilities amount for HART from to \$25,000, which should allow HART to accelerate acquisition of their easement.
- Two parcels were not approved by City Council for condemnation – One parcel will be deleted from the project through a minor change in design. The other parcel is still needed, and HART will again seek authority from the City Council to condemn.

2.1.6 Third Party Agreements and Coordination

The following agreements are critical and will impact the project if not completed in the near term:

- Aloha Stadium Construction Right of Entry (CROE) – DRAFT Agreement has been routed for review. Department of Accounting and General Services (DAGS), Stadium Authority and HART are scheduled to meet week of January 14, 2016 to discuss the agreement, which must be in place by mid-2016 to not impact the schedule.
- University of Hawaii Right of Entry – Construction Rights of Entry are pending.
- GSA – An MOU is pending with the GSA for all work adjacent to the Federal courthouse. This will include protective measures (e.g. barriers) along the station and guideway. The PMOC inquired whether GSA will have the right to review the final design since this work will now be completed under a DB contract. HART was uncertain, but will review the terms of the MOU and will provide clarification. The HDOT SOA is aware of the issue and is waiting for HART to resolve the issue. The MOU is not on the critical path, but if this issue is not resolved by May 2016, it may become critical. Details of the MOU have been substantially agreed to, but HART is awaiting a landscape plan that is being prepared by the GSA. The cost of this plan must be analyzed to determine whether it falls within HART's budget.
- US Post Office – HART and USPS are in disagreement on the value of property. HART has engaged their congressional delegation to assist in advancing negotiations. HART is still in negotiations with the USPS, but HART cannot condemn the federally owned property.
- US Navy – The Current Base Commander would like to finalize the license agreement prior to change of Base Command staff, which will occur spring 2016.
- The outstanding third party agreements may affect construction contracts if not resolved in the next 4-6 months.

2.1.7 Environmental mitigation measures

- Proposed Design Changes/Refinement – HART is considering several proposed design refinements that may require additional environmental review. FTA and HART hold bi-weekly meetings to discuss the status of any potential changes. HART has submitted or will submit information on each proposed change for FTA to determine the level of documentation required to assess impacts and subsequent mitigation measures. HART has indicated that they anticipate submitting information for all outstanding critical Post-ROD changes to the FTA in February or March 2016. HART must submit Post Rod changes for Backup Generators, Makai Precast Yard for Airport Guideway and Stations and another Precast Yard close to the Makai site for the City Center Guideway and Stations Project. Post Rod changes need to be approved by FTA prior to HART awarding these contracts.

2.2 Project Management Plan (PMP) and Sub-Plans

HART is in the process of updating several of its procedures and management plans. These updates are necessary due to HART organizational changes and the contract packaging changes that are being implemented. It is critical for HART to update these plans and procedures soon. Following is the status of the key management plan updates:

Plan	Status	Note
Project Management Plan (PMP)	Approved for FFGA but plan is being updated.	Draft PMP submitted to the PMOC for review in July 2015 without detailed budget and schedule information. HART will incorporate this information when it becomes available (tentatively August 2016). PMOC comments were provided to HART.
Contract Packaging Plan (CPP)	Approved for FFGA but update is pending	CPP must still be updated to reflect MPS and EAC changes.
Construction Management Plan	PMOC provided review comments	Draft CMP submitted to the PMOC for review in December 2015. Comments provided to HART in February 2016. HART responded to PMOC comments February 26, 2016.
Construction Safety Plan	No PMOC comments	HART staff was notified of the Construction Safety and Security Plan, Rev. 3, via CMS email on October 22, 2015
Change Procedure	PMOC provided review comments	Draft change procedure 5.CA-11 submitted to the PMOC for review in December 2015. PMOC provided comments to HART on February 7, 2016. HART responded to PMOC comments February 26, 2016.
Quality Management Plan	No PMOC comments	HART staff was notified of the Quality Management Plan, Rev 2, via CMS email on October 21, 2015.
Risk and Contingency Management Plan (RCMP)	Approved for FFGA but update is pending	Update is pending outcome of Risk Refresh
Financial Plan	Approved for FFGA. Draft Financial Plan submitted to FTA/PMOC for review.	Draft Financial Plan submitted to FTA/PMOC on August 14, 2015, which is based on HART's preliminary EAC and MPS. HART needs to await final action on the GET extension and

		approval of a revised FFGA budget by the FTA before it can update the plan.
Real Estate Acquisition and Management Plan (RAMP)	Approved for FFGA.	FINAL DRAFT RAMP submitted on September 1, 2015.
Operations and Maintenance Plan (OMP)	PMOC provided review comments	Draft OMP submitted to the PMOC for review in September 2015. Comments were provided to HART on December 17, 2015. HART responded to PMOC comments on 2/16/16.
Rail Fleet Management Plan (RFMP)	PMOC provided review comments	Draft RFMP submitted to the PMOC for review in September 2015. Comments were provided to HART on December 17, 2015. HART responded to PMOC comments 2/16/16.
Safety and Security Management Plan (SSMP)	PMOC provided review comments	Draft SSMP submitted to the PMOC for review in November 2015. Comments were provided to HART on February 5, 2016. HART to respond to PMOC comments.
Safety and Security Certification Plan (SSCP)	PMOC provided review comments	Draft SSCP submitted to the PMOC for review in November 2015. Comments were provided to HART on February 5, 2016. HART to respond to PMOC comments.

2.3 Management Capacity and Capability (MCC)

HART has gone through a considerable number of organizational changes since the FFGA was executed in December 2012. The PMOC has recommended that HART review its staffing and consider changes to streamline the organization. HART has begun reviewing the project organization to determine if changes can be made to be more effective. Project staff has also begun updating the project's numerous plans and procedures to reflect these changes. HART's update of the management plans must incorporate any organizational changes that are proposed or already accomplished. It has become critical that any changes be documented in the various management plans immediately.

The following is a summary of key open positions:

- Deputy Director of Construction has tendered his resignation. Kai Nani Kraut (PMC) will act as the Interim West Construction Manager. Kevin Cox (PMC) is the East Construction Manager.
- Director of Operations & Maintenance (Existing Position) – Recruiting is ongoing.
- West Area Construction Manager (New Position) – Target 1Q16 to fill position.
- WOFH/KHG Project Manager (Existing Position) – Interim West Construction Manager will work as interim Project Manager until a replacement is recruited.
- Project Manager Kamehameha Highway Station Group (KHSB)/H2R2 Ramp (New Position) – Target 1Q16 to fill position.
- Assistant Project Manager City Center (New Position) – target December 2015 to fill position.
- Chief Financial Officer has tendered her resignation. HART will initiate a search for a replacement.
- Risk Manager – HART has appointed a member of the GEC as the Acting Risk Manager. The PMOC strongly recommends that HART make this a full-time position that is

independent from the Project Controls or Design and Construction groups. HART should make this a priority.

HART Executive Director and Project Director are to review the staffing plan through completion of project to determine if agency and consultant staffing levels can be optimized as a cost reduction measure.

2.4 Project Cost

The grantee's Base Cost Estimate (BCE) dated March 19, 2012 is \$5.122 billion in Year-of-Expenditure (YOE) dollars, including \$644 million in allocated and unallocated contingency (or 15.0% of the BCE) and \$173 million in financing costs. Of the \$644 million in total contingency, \$101 million is unallocated. The current Project Budget is as follows:

Source	Amount
Base Cost Estimate	\$4,305 billion
Total Contingency	\$0.644 billion
Finance Charges	\$0.173 billion
Total Project Cost	\$5.122 billion

Total Expenditures to Date – \$1.883 billion (through December 2015)

The following table presents the FFGA budget and expenditures to date. The Estimate at Completion (EAC) for each SCC will be provided once HART re-baselines its budget.

SCC	SCC Description	FFGA Budget	Base Cost	Allocated Cont.	Incurred
10	GUIDEWAY & TRACK ELEMENTS	1,275,328,962	1,114,305,144	161,023,818	277,113,495
10.02	Guideway: At-grade semi-exclusive	0	0	0	17,378
10.04	Guideway: Aerial structure	1,175,328,184	1,022,380,670	152,947,514	225,597,278
10.08	Guideway: Retained cut or fill	8,077,393	7,492,943	584,450	0
10.09	Track: Direct fixation	86,332,027	79,437,204	6,894,823	51,495,763
10.11	Track: Ballasted	3,550,634	3,293,724	256,910	0
10.12	Track: Special (switches, turnouts)	2,040,724	1,700,603	340,121	3,076
20	STATIONS, STOPS, TERMINALS, INTERMODA	506,165,689	421,804,742	84,360,947	5,066,456
20.01	At-grade station, stop, shelter, mall, terminal, platform	7,333,599	6,111,333	1,222,266	0
20.02	Aerial station, stop, shelter, mall, terminal, platform	353,476,148	294,563,457	58,912,691	0
20.06	Automobile parking multi-story structure	79,690,518	66,408,765	13,281,753	0
20.07	Elevators, escalators	65,665,424	54,721,187	10,944,237	5,066,456
30	SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS	99,425,456	92,535,013	6,890,443	90,169,783
30.01	Administration Building: Office, Sales	0	0	0	191,435
30.02	Light Maintenance Facility	8,161,279	7,591,887	569,392	4,559,985
30.03	Heavy Maintenance Facility	40,906,889	38,099,138	2,807,751	29,157,826
30.04	Storage or Maintenance of Way Building	8,382,270	7,797,460	584,810	6,803,772
30.05	Yard and Yard Track	41,975,018	39,046,528	2,928,490	49,456,765
40	SITework & SPECIAL CONDITIONS	1,103,867,264	980,569,426	123,297,838	525,282,842
40.01	Demolition, Clearing, Earthwork	34,695,802	29,980,157	4,715,645	2,539,412
40.02	Site Utilities, Utility Relocation	350,694,801	299,449,755	51,245,046	112,539,707
40.03	Haz. mat'l, contam'd soil removal/mitigation, ground water treatments	7,228,935	6,590,542	638,393	2,706,597
40.04	Environmental mitigation, e.g. wetlands, historic/archeologic, parks	30,841,906	26,979,122	3,862,784	10,816,505
40.05	Site structures including retaining walls, sound walls	8,637,582	7,998,960	638,622	4,618,004
40.06	Pedestrian / bike access and accommodation, landscaping	48,262,816	41,073,897	7,188,919	50,000
40.07	Automobile, bus, van accessways including roads, parking lots	212,536,181	181,979,369	30,556,812	5,472,264
40.08	Temporary Facilities and other indirect costs during construction	410,969,241	386,517,624	24,451,617	386,540,353
50	SYSTEMS	247,460,781	221,284,483	26,176,298	37,082,160
50.01	Train control and signals	91,492,532	81,982,556	9,509,976	2,250,972
50.02	Traffic signals and crossing protection	12,524,011	10,458,227	2,065,784	0
50.03	Traction power supply: substations	32,873,934	29,500,927	3,373,007	4,751,819
50.04	Traction power distribution: catenary and third rail	36,426,286	32,878,150	3,548,136	16,942,495
50.05	Communications	59,889,234	53,691,339	6,197,895	14,268,775
50.06	Fare collection system and equipment	10,221,753	9,159,277	1,062,476	(1,131,901)
50.07	Central Control	4,033,031	3,614,007	419,024	0
	Construction Subtotal (10 - 50)	3,232,248,152	2,830,498,808	401,749,344	934,714,736
50.07	Central Control	4,033,031	3,614,007	419,024	0
60	ROW, LAND, EXISTING IMPROVEMENTS	222,188,386	197,397,947	24,790,439	100,303,144
60.01	Purchase or lease of real estate	201,658,907	179,360,664	22,298,243	88,850,279
60.02	Relocation of existing households and businesses	20,529,479	18,037,283	2,492,196	11,452,865
70	VEHICLES	208,501,186	186,829,020	21,672,166	34,051,880
70.02	Heavy Rail	186,061,066	166,721,385	19,339,681	26,259,419
70.06	Non-revenue vehicles	16,011,166	14,346,923	1,664,243	7,792,461
70.07	Spare parts	6,428,954	5,760,712	668,242	0
80	PROFESSIONAL SERVICES	1,183,826,026	1,090,438,814	93,387,212	774,986,111
80.01	Preliminary Engineering	95,120,484	94,055,262	1,065,222	103,435,648
80.02	Final Design	257,934,908	228,321,632	29,613,276	163,164,307
80.03	Project Management for Design and Construction	385,825,694	366,458,463	19,367,231	313,488,523
80.04	Construction Administration & Management	218,155,752	199,656,728	18,499,024	82,963,677
80.05	Professional Liability and other Non-Construction Insurance	52,138,030	46,549,724	5,588,306	28,408,468
80.06	Legal; Permits; Review Fees by other agencies, cities, etc.	76,135,125	67,641,006	8,494,119	21,141,132
80.07	Surveys, Testing, Investigation, Inspection	24,955,327	21,759,335	3,195,992	29,585,563
80.08	Start up	73,560,706	65,996,664	7,564,042	32,798,793
90	Subtotal (10 - 80)	4,846,763,750	4,305,164,589	541,599,161	1,844,055,871
	UNALLOCATED CONTINGENCY	101,871,170	0	101,871,170	0
100	Subtotal (10 - 90)	4,948,634,920	4,305,164,589	643,470,331	1,844,055,871
	FINANCE CHARGES	173,058,242			0
	Total Project Cost (10 - 100)	5,121,693,162	4,305,164,589	643,470,331	1,844,055,871
	Provisional Request for Payment				39,255,396
	Total Project Cost (10 - 100)	5,121,693,162	4,305,164,589	643,470,331	1,883,311,267

HART’s current Estimate at Completion (EAC) indicates that the Project cost will most likely exceed the FFGA budget primarily due to the AIS, federal lawsuit delays, subsequent impact of current market conditions, and several other items that are anticipated to be an additional cost to the project. HART is continuing to review the project budget and will update the EAC accordingly.

2.4.1 Contingency

HART staff presented the status of the program budget and schedule to the Board of Directors at the October and November 2015 monthly meetings. Forecasts indicated an increase to project costs and extension of the overall completion date for the project:

- Updated Estimate at Completion (EAC) – \$6.5 billion
- Updated EAC includes \$240 million in Allocated Contingency and \$299 million in Unallocated Contingency.
- Updated finance costs include \$310 million.

HART staff has begun providing supporting documentation for the updated cost and schedule. However, there are several significant cost-related items that have been discussed with HART that the PMOC believes are not fully addressed in the EAC. Some of these items include:

- Cost for full buildout of Pearl Highlands Parking Garage
- HECO clearance issue
- Real estate adjustments
- Full exposure of WOFH, KHG, and CSC delays
- Park-n-Ride lots
- OCIP adjustment for time extensions
- Elevator/Escalator Contract escalation
- Miscellaneous support contracts (e.g. ROW support, On-Call Construction, Eminent Domain Legal Support)

The PMOC will develop proposed adjustments to the EAC for inclusion in the model to be used for the Risk Refresh. Once the EAC is finalized, HART must also then update the contingency drawdown curve for inclusion in the Risk and Contingency Management Plan and Monthly Reports.

2.4.2 Funding Sources

The following are the project capital revenue (funding) sources:

Source	Amount
General Excise Tax (GET)	\$3.358 billion
Section 5309	\$1.550 billion
Section 5307	\$0.210 billion
American Recovery and Reinvestment Act (ARRA)	\$0.004 billion
Total	\$5.122 billion

Following is the status of HART’s GET receipts:

- HART has received approximately \$1.586 billion in GET funds since 2007.

- HART has received approximately \$1.208 billion in GET funds since Preliminary Engineering, which began in October 2009.

HART has indicated that it will not have access to \$210 million in Section 5307 funds for the project. The Hawaii State Legislature passed House Bill 134, which would extend the City and County of Honolulu's current 0.5% surcharge on the state's General Excise Tax (GET) for the rail transit project for an additional five years through 2027. Initial estimates indicated that the GET extension could generate approximately \$1.8 billion in revenue at a 5 percent growth rate. However, more current (and conservative) forecasts indicate that the additional revenue will be closer to \$1.5 billion.

The Governor signed the bill on July 14, 2015. The City Council will need to amend an ordinance to enact the tax extension. On January 27, 2016, the City Council approved Bill 23 to extend collection of the GET to December 2027.

2.5 Project Schedule

HART staff provided the following preliminary targets for Revenue Service Dates (RSD):

- Phase 1 Milestone Ready for Revenue Service to Aloha Stadium – 3rd Quarter 2018
- Phase 2 Milestone Ready for Revenue Service (full system) – 4th Quarter 2021

HART indicated that a revision is underway to account for elimination of the Dillingham Utilities and Road Widening package. This work will be completed under the City Center Guideway and Stations DB Contract and through an On-Call Construction Contract. PMOC also has concerns that MPS does not fully account for HECO undergrounding activities along Dillingham Boulevard, which would affect the critical path. These changes will affect RSD of the full system. HART is reviewing several schedule scenarios internally. HART committed to providing the updated MPS by February 29, 2016. It is critical that HART meet this deadline, so the PMOC has sufficient time to prepare for the Risk Refresh Workshop.

The following is a look ahead for important activities associated with the Project:

Period: March 2016 – May 2016		
Activity	Responsibility	Date
Monthly Progress Meeting	FTA, HART and PMOC	February 10, 2016
Monthly Progress Meeting	FTA, HART and PMOC	March 9, 2016
Risk Refresh	FTA, HART and PMOC	March 30, 2016
Monthly Progress Meeting (Conference Call)	FTA, HART and PMOC	April 13, 2016
Monthly Progress Meeting	FTA, HART and PMOC	TBD
Quarterly Meeting	FTA, HART and PMOC	TBD

2.6 Quality Assurance/Quality Control (QA/QC)

- WOFH Span 17 Damage and Repair – During the erection in March 2015, three segments were damaged due to unbalanced support from the temporary bearings. KIWC has submitted a repair procedure, which was approved by HART. KIWC has ordered special forms to complete the repairs, which are not on the critical path.

- Plinthless Track – KIWC had proposed fabrication of precast guideway segments to eliminate the need for plinths. However, KIWC had issues with geometry control in casting and erection that have resulted in deviations in vertical and horizontal alignment that exceeds tolerances in several locations. KIWC and HART are discussing options for these locations. It should be noted that KIWC’s geometry control on more recent segments are within tolerances. HART engaged technical staff from other transit agencies to complete a Peer Review of the situation and provide some recommendations. Indications are that HART will accept shimming of the track and may receive a credit from KIWC.
- Following is a summary of Non-Conformance Reports (NCR) that have been issued:

Contract	Description	NCRs		
		Issued	Closed	Open
DB-120	West Oahu/Farrington Highway	501	453	48
DB-200	Maintenance and Storage Facility	31	27	4
DB-320	Kamehameha Highway Guideway	107	83	24
DBOM-920	Core Systems Contract	382	304	78

It should be noted that the increase in Open NCRs for the WOFH DB Contract is primarily the result of items identified in the precast yard and the concrete consolidation issues with drilled shafts. KHG DB contract is experiencing similar concrete consolidation issues with the drilled shafts. However, KIWC has developed measures to correct these NCRs and help prevent issues in the future.

2.7 Safety and Security

- HART provided an updated Roadmap to the PMOC dated January 16, 2016. The PMOC recommends HART to review the updated Roadmap, which must include milestone dates for all safety certification activities that are related to the MSF facilities and MSF CSC rail activation. The safety certification activities requiring milestone dates include: design/construction conformance review certifications; System Integration Testing; issuance of manuals, operating procedures, training, and other start up elements. A similar breakdown of milestone dates must to be done for the WOFH Guideway and the other contracts that identifies when these Fixed Facilities will be completed and the CSC will be performing functional tests.
- The substantial completion date for the MSF buildings is tentatively scheduled for May 2016 and the WOFH CSC substantial completion date is tentatively scheduled for September 2016. The PMOC is concerned that these dates might not be met given the number of deliverables that must be completed. The Rail Activation Committee has been formed as of February 2016 but some HART staff is filling dual roles. HART provided a baseline Operational Readiness checklist and a hold point plan for rail activation needed for the MSF and WOFH. Although HART will not be ready for revenue operations for a few years, HART will have an active MSF rail yard and will be performing rail vehicle functional tests/preliminary rail operations to meet the Revenue Operation Date (RSD) or for an Interim Opening which may be earlier than the RSD. The items listed in the bullet above are required for safety certification to allow preliminary rail operations.

- HART has completed 100% design conformance reviews for the WOFHSG and FHSG contracts. The PMOC is pleased with the design conformance review progress and HART is performing over the shoulder construction conformance reviews to accelerate the approval process HART, which is very positive.
- HART provided the PMOC with the DRAFT MOU with the GSA for all work adjacent to the Federal courthouse. This will include any protective measures (e.g. barriers) along the station and guideway. The MOU does not indicate whether GSA will have the right to review the final design since this work will now be completed under a DB contract. HART Project Director is still pursuing this issue to determine what review authority GSA will have.
- HART accepted delivery of three (3) Maintenance-of-Way Vehicles (MOW) delivered on February 8, 2016. Interim certification was issued by Safety and Security with a list of open items and restrictions.
- HDOT will work with HART Safety and Security to provide questions on the NPRM issued by FTA, which is due on April 5, 2016.

2.8 Project Risk

The PMOC has discussed the project cost on a monthly basis with HART in an effort to ensure cost issues are proactively addressed. HART has recently implemented Cost Containment and Cost Reduction measures in an effort to mitigate the cost increase. These efforts include:

- Significant revision of HART's contract packaging strategy
- Development of a detailed cost reduction matrix that focuses on the remaining construction contracts (Value Engineering)
- Review of interface milestones to help relieve schedule compression where possible
- Review of various options related to financing of the project
- Identification of items that could be considered Operations & Maintenance costs
- Development of a HART Decision Milestone Matrix.

HART continues to update the Cost Reduction Measures matrix and Decision Milestone Matrix on a regular basis (at least monthly). The PMOC will continue to hold Cost Containment Workshops with HART on a monthly basis to review the Cost Reduction Measures Matrix and HART's Decision Milestone Matrix. Nevertheless, it is still anticipated that the Project cost will exceed the FFGA budget.

It is anticipated that an updated Risk Refresh will be performed March 30, 2016.

2.9 Action Item Table

Item No.	Item	Responsible Party	Date Identified	Date Due	Date Completed	Status
1	Resolve HECO issue with Davis-Bacon requirements	HART/FTA	Mar-14	On-going		Open – HECO waiver is pending. HART provided MOU to PMOC.
2	Updates resulting from Risk Refresh:					
2a	Update the Contract Packaging Plan	HART	Aug-14	Dec-15		In progress – Draft provided to PMOC but changes may be incorporated on updated estimate and schedule
2b	Re-baseline Financial Plan	HART	Apr-14	TBD		Pending final update of budget and schedule
2c	Re-baseline budget	HART	Apr-14	TBD		In progress
2d	Re-baseline MPS	HART	Apr-14	TBD		HART to provide revised MPS update for review
2f	Update RCMP (including Hold Points and Secondary Mitigation Measures)	HART	Sept-13	TBD		HART to provide updated draft that reflects revised budget and schedule.
3	HART to provide target date for Federal Courthouse resolution/sign-off	HART	Sep-15	Feb-15		Target date is May 2016; PMOC will continue to track progress in meeting this target date.
4	HART to provide Operational Readiness Checklist/Hold Points for MSF Certification	HART	Jan-16	Jan-16	Feb-16	Complete

3.0 APPENDICES

Appendix A: Acronym List

AHJV	▪ Ansaldo Honolulu Joint Venture
AIS	▪ Archeological Inventory Survey
APS	▪ Adjusted Project Schedule
ARRA	▪ American Recovery and Reinvestment Act
ASG	▪ Airport Station Group
ATC	▪ Alternative Technical Concept
AUG	▪ Airport Utilities Group
AVI	▪ Automatic Vehicle Indication
AVL	▪ Automatic Vehicle Location
BCE	▪ Base Cost Estimate
BFMP	▪ Bus Fleet Management Plan
CCUG	▪ City Center Utilities Group
CE&I	▪ Construction Engineering and Inspection
CMP	▪ Construction Management Plan
CPM	▪ Critical Path Method
CPP	▪ Contract Packaging Plan
CROE	▪ Construction Right of Entry
CSC	▪ Core Systems Contract
CSSO	▪ Chief Safety and Security Officer
DAGS	▪ Department of Accounting & General Services
DB	▪ Design-Build
DBB	▪ Design-Bid-Build
DBOM	▪ Design-Build-Operate-Maintain
DCCA	▪ Department of Commerce and Consumer Affairs
DHHL	▪ Department of Hawaiian Home Lands
DLIR	▪ Department of Labor and Industrial Relations
DLNR	▪ Department of Land and Natural Resources
DOE	▪ Department of Education
DOT	▪ Department of Transportation
EAC	▪ Estimate at Completion
EIS	▪ Environmental Impact Statement
FD	▪ Final Design
FEIS	▪ Final Environmental Impact Statement
FFGA	▪ Full Funding Grant Agreement
FHSG	▪ Farrington Highway Station Group
FHWA	▪ Federal Highway Administration
FTA	▪ Federal Transit Administration
FY	▪ Fiscal Year
GEC	▪ General Engineering Consultant
GET	▪ General Excise Tax
GSA	▪ General Services Administration
HART	▪ Honolulu Authority for Rapid Transportation
HCC	▪ Honolulu Community College
HCDA	▪ Hawaii Community Development Authority
HDOT	▪ Hawaii Department of Transportation
HECO	▪ Hawaiian Electric Company
IFB	▪ Invitation to Bid
ITP	▪ Inspection Test Plans
JU&O	▪ Joint Use & Occupancy
KHG	▪ Kamehameha Highway Guideway
KHSG	▪ Kamehameha Highway Stations Group

KIWC	▪ Kiewit Infrastructure West Company
KKJV	▪ Kiewit Kobayashi Joint Venture
LCC	▪ Leeward Community College
LEED	▪ Leadership in Energy and Environmental Design (LEED)
MMP	▪ Mitigation Monitoring Program
MOA	▪ Memorandum of Agreement
MOT	▪ Maintenance of Traffic
MOW	▪ Maintenance of Way
MPS	▪ Master Project Schedule
MSF	▪ Maintenance and Storage Facility
NCR	▪ Non-Compliance Report
NEPA	▪ National Environmental Policy Act
NTP	▪ Notice to Proceed
OCCC	▪ Oahu Community Correctional Center
OCIP	▪ Owner Controlled Insurance Program
OP	▪ Oversight Procedure
PA	▪ Programmatic Agreement
PE	▪ Preliminary Engineering
PM	▪ Project Manager
PMC	▪ Project Management Consultant
PMOC	▪ Project Management Oversight Contractor
PMP	▪ Project Management Plan
PSG	▪ Platform Screen Gate
PW	▪ Project-wide
QA	▪ Quality Assurance
QAM	▪ Quality Assurance Manager
QAP	▪ Quality Assurance Plan
QMP	▪ Quality Management Plan
RAMP	▪ Real Estate Acquisition and Management Plan
RCMP	▪ Risk and Contingency Management Plan
RFMP	▪ Rail Fleet Management Plan
RFB	▪ Request for Bids
RFP	▪ Request for Proposals
RFQ	▪ Request for Qualifications
ROD	▪ Record of Decision
ROE	▪ Right of Entry
ROW	▪ Right of Way
RSD	▪ Revenue Service Date
SCC	▪ Standard Cost Category
SHPD	▪ State Historic Preservation Division
SOA	▪ State Oversight Agency
SS	▪ Safety and Security
SSCM	▪ Safety and Security Certification Manager
SSCP	▪ Safety and Security Certification Plan
SSMP	▪ Safety and Security Management Plan
SSPP	▪ System Safety Program Plan
SSSPS	▪ System Safety and Security Program Standards
TCC	▪ Technical Capacity and Capability
UH	▪ University of Hawaii
UPS	▪ Uninterruptible Power Supply
VE	▪ Value Engineering
WOFH	▪ West Oahu/Farrington Highway
WOSG	▪ West Oahu Stations Group
WSSG	▪ Westside Stations Group
YOE	▪ Year of Expenditure

Appendix B: Contract Status

Contract	Description	Contractor	Base Contract Value	Change Orders	Change Order %	Current Contract Value	Expended	% Exp.	DBE	Award Date	Compl. Date
MM-901	Program Management Support Consultant (PMSC-2)	HDR/InfraConsult LLC	\$33,376,897	Amendment No. 4d. 3/18/14		\$40,993,274	\$37,479,508	91.4%	0%	Mar 2012	Mar 2016
Notes/Issues:											
MM-910	General Engineering Consultant (GEC II)	Parsons Brinkerhoff	\$300,000,000				\$132,000,000		0%	Jun 2011	Pending
Notes/Issues: Contract closeout is pending.											
MM-913	General Engineering Consultant (GEC III)	CH2M Hill	\$46,143,277	\$268,451		\$46,411,728	\$23,982,916	51.3%	4.27%	Dec 2013	Mar 2019
Notes/Issues: <ul style="list-style-type: none"> None at this time 											
MM-290	Construction Engineering and Inspection (West)	PGH Wong Engineering, Inc.	\$54,232,480			\$54,232,480	\$20,135,729	37.1%	4.0%	Jan 2014	Jan 2020
Notes/Issues: <ul style="list-style-type: none"> None at this time. 											
MM-595	Construction Engineering and Inspection (East)	AECOM/URS Corporation	\$63,083,417	(\$47,826,417)		\$15,257,000	\$12,377,950	91.1%	10.36%	Jan 2014	Dec 2018
Notes/Issues: <ul style="list-style-type: none"> The new CE&I consultant for the East Section was issued NTP in September. The AECOM/URS team immediately began a transition that occurred through October 9, 2015. The AECOM/URS project closeout is ongoing. 											
MM-596	Construction Engineering and Inspection II (East)	Stantec Consulting Services Inc.	\$55,036,130			\$55,036,130				Sep 2015	Dec 2019
Notes/Issues: <ul style="list-style-type: none"> HART requested an Independent Cost Estimate (ICE) be performed on the Airport Guideway and Stations DB contract and the City Center Guideway and Stations DB contract. These ICE is anticipated to be completed in February 2016 and prior to the bids. 											
MM-962	Core System Contract Oversight Consultant	Lea + Elliott, Inc.	\$43,988,989			\$43,988,989	\$12,830,304	29.2%	0.70%	Feb 2014	Aug 2019
Notes/Issues: <ul style="list-style-type: none"> None at this time. 											
MM-945	On-Call Construction Contractor	Royal Contracting Co. Ltd	\$1,000,000	\$999,951	99.99%	\$1,999,951	\$1,922,968	96.1%	23%	Aug 2014	Jul 2019
Notes/Issues: <ul style="list-style-type: none"> None at this time. 											
DB-120	West Oahu/Farrington Highway DB	KIWC	\$482,924,000	\$149,250,758	31.0%	\$632,174,758	\$512,032,937	81.1%	1.41%	Nov 2009	Jul 2016

Contract	Description	Contractor	Base Contract Value	Change Orders	Change Order %	Current Contract Value	Expended	% Exp.	DBE	Award Date	Compl. Date
Notes/Issues:		<ul style="list-style-type: none"> Progress is lagging from the approved baseline schedule. KIWC has notified HART that a 6 month time extension beyond substantial completion is needed to complete work at LCC due to these impacts. HART is currently working with the contractor to mitigate delays and is evaluating the merit of KIWC's request for change to the substantial completion date. 									
DB-200	Maintenance and Storage Facility DB	Kiewit/Kobayashi JV	\$195,258,000	\$79,789,423	40.8%	\$275,047,423	\$239,428,393	85.5%	0.23%	Jun 2011	Apr 2016
Notes/Issues:		<ul style="list-style-type: none"> None at this time. 									
DB-320	Kamehameha Highway Guideway DB	KIWC	\$372,150,000	\$16,817,876	4.3%	\$388,967,876	\$198,133,217	49.7%	0.08%	Jun 2011	Sep 2016
Notes/Issues:		<ul style="list-style-type: none"> Contract is approximately 12 months behind schedule. KIWC submitted revised schedule in September 2015 via RFC, re-sequencing the guideway and road work. The schedule is currently being reviewed by HART. The revised schedule shows the guideway structure forecasted to be complete in April 2017 with completion of the roadway civil construction and the overall project in September 2017. 									
DBOM-920	Core Systems Contract	Ansald/Honolulu JV	\$573,782,793	\$24,780,894	4.3%	\$598,563,687	\$168,956,392	28.4%	0.029%	Nov 2011	Mar 2019
Notes/Issues:		<ul style="list-style-type: none"> AHJV revised their baseline contract schedule, and it has been approved. However, re-procurement of Westside Stations Group and use of DB for the eastside guideway and stations will result in another revision to CSC schedule. Revisions to the station and guideway Construction Access Milestone (CAM) dates might affect substantial completion of the AHJV work. HART anticipates that AHJV will submit a change request for extended overhead and escalation due to delay as a result. HART wants to ensure that they provide AHJV with milestone dates for their schedule update that should not change. Hitachi, LTD completed its acquisition of Ansald Breda and Ansald STS on November 2, 2015. HART met with Hitachi representatives and was told that there would be no immediate changes in management or staffing of AHJV. 									
MI-930	Elevators and Escalators Install & Maintain	Schindler Elevator Corporation	\$50,982,714	\$0	0%	\$50,982,714	\$5,066,456	9.9%	0%	May 2013	Jul 2018
Notes/Issues:		<ul style="list-style-type: none"> None at this time. 									
FD-140	West Oahu Station Group Construction FD	URS, Inc.	\$7,789,000	\$2,825,305	36.2%	\$10,014,305	\$9,093,096	91.7%	0%	Jun 2012	Dec 2016
Notes/Issues:		<ul style="list-style-type: none"> None at this time. 									
FD-240	Farrington Highway Station Group FD	HDR, Inc. / URS	\$9,300,696	\$5,017,093	54%	\$14,198,045	\$12,546,293	89.4%	4.7%	Jan 2011	Dec 2016
Notes/Issues:		<ul style="list-style-type: none"> Revised engineer's estimate exceeds the FFGA budget. 									

Contract	Description	Contractor	Base Contract Value	Change Orders	Change Order %	Current Contract Value	Expended	% Exp.	DBE	Award Date	Compl. Date
FD-340	Kamehameha Highway Station Group Construction FD	Anil Verma, Inc.	\$8,702,592	\$1,199,698	12.2%	\$9,859,290	\$9,177,277	93.1%	43.9%	Nov 2012	Dec 2016
Notes/Issues:		<ul style="list-style-type: none"> Revised engineer's estimate exceeds the FFGA budget. 									
FD-430	Airport Section Guideway and Utilities FD	AECOM	\$38,840,960	\$4,293,512	11.0%	\$43,134,472	\$41,447,161	96.1%	0.42%	Dec 2011	Jun 2017
Notes/Issues:		<ul style="list-style-type: none"> Airport Guideway was combined with Airport Stations into a DB Contract. Revised engineer's estimate exceeds the FFGA budget. 									
FD-440	Airport Station Group Construction FD	AECOM	\$10,177,365	\$1,416,487	14.88%	\$11,573,852	\$9,801,978	84.7%	2.31%	Nov 2012	Jul 2017
Notes/Issues:		<ul style="list-style-type: none"> Airport Guideway was combined with Airport Stations into a DB Contract. Revised engineer's estimate exceeds the FFGA budget. 									
FD-530	City Center Section Guideway and Utilities FD	AECOM	\$43,948,220	\$1,296,842	2.9%	\$46,197,562	\$40,908,953	88.6%	0.44%	Jul 2012	May 2018
Notes/Issues:		<ul style="list-style-type: none"> City Center Guideway was combined with Dillingham and Kaka'ako Stations into a DB Contract. Revised engineer's estimate exceeds the FFGA budget. The PMOC strongly recommended that HART not issue NTP for this contract unless the HECO clearance issues are resolved. 									
FD-550	Dillingham and Kaka'ako Station Group Construction FD	Perkins & Will	\$18,321,918	\$1,046,743	5.71%	\$19,308,042	\$11,875,668	66.2%	0%	Jun 2013	Jul 2018
Notes/Issues:		<ul style="list-style-type: none"> City Center Guideway was combined with Dillingham and Kaka'ako Stations into a DB Contract. Revised engineer's estimate exceeds the FFGA budget. 									
DBB-505	Airport Section Utilities Construction	Nan	\$28,413,973	\$0	0%	\$28,413,973	\$8,930,361	31.4%	0.12%	Jul 2014	Jun 2016
Notes/Issues:		<ul style="list-style-type: none"> The contract is approximately seven months behind schedule. The delay is due to issues with Navy right of entry (ROE) for construction. 									
DBB-525	Airport Section Guideway Seven Pier Construction	HDCC/CJA JV	\$3,973,000	\$508,241	12.7%	\$4,481,241	\$3,889,433	86.8%	0%	Sep 2014	Feb 2015
Notes/Issues:		<ul style="list-style-type: none"> Construction is complete. Closeout is ongoing. 									

Contract	Description	Contractor	Base Contract Value	Change Orders	Change Order %	Current Contract Value	Expended	% Exp.	DBE	Award Date	Compl. Date
DBB-271	Farrington Highway Station Group Construction	Hawaiian Dredging Construction Company, Inc.	\$78,999,000	\$0	0%	\$78,999,000	\$0	0%	0%	Aug 2015	Sep 2017
Notes/Issues		▪ None at this time.									
DBB-385	Ramp H2R2	Royal Contracting Co. Ltd	\$5,203,646	\$0	0%	\$5,203,646	\$0	0%	0%	May 2015	Jun 2016
Notes/Issues		▪ None at this time.									
DBB-171	West Oahu Station Group Construction	Nan, Inc.	\$56,088,470	\$0	0%	\$56,088,470	\$0	0%	0%	Oct 2015	Mar 2019
Notes/Issues:		▪ None at this time									

Appendix C: PMOC Team

Name	Position	Background
Tim Mantych, PE	Program Manager	Overall responsibility for the Jacobs PMO program. He has spent 16 years in key management roles on the PMO program, including Program Manager and Task Order Manager, effectively managing oversight services for major capital projects in Regions V and IX.
Bill Tsiforas	Task Order Manager	Responsible for oversight of this task order. He has over 25 years of experience and has served as Task Order Manager and as a systems integration manager in the PMO Program since 2008. His project management experience covers a wide range of transit projects including BRT, monorail, streetcar, light rail, and heavy rail systems. In rail projects and other transportation modes, he has experience in management of project planning, engineering, and architecture service contract, engineering design, and construction management.
Keith Konradi, PE	Civil Engineer	Has extensive over 40 years of experience as a civil engineer and trackwork expert who can provide informed reviews of all issues regarding the design and construction of civil, railroad, and transit. He has specialized in railroad and transit projects, designing new alignments, realignments, profiles, yard, and maintenance facility layouts, connections, and interlockings.
Charles Neathery	Construction Management Manager	Responsible for oversight of construction management activities and project scheduling. He has served on the PMO Program since 1995 in various key positions: Deputy Program Manager, Task Order Manager, Construction Manager, Risk Manager, and Technical Specialist. His heavy civil construction background as a construction contractor Project Manager and as Program and Controls Director combines experience on both sides of the industry as a builder and a manager.
Tim Morris	Cost Estimating Manager	Responsible for oversight of cost estimating and cost control. He brings 34 years of experience in cost estimating. His background includes: construction and project management of heavy civil projects; cost estimating; field engineering; scheduling; project controls; change order negotiations; and procurement.
Brian Carpenter	Project Scheduling Manager	Responsible for oversight of project scheduling. Has over 25 years of experience project controls including schedule development and management. Well versed with following: Primavera Project Planner (P3), Primavera 7.0, Suretrak, M.S. Project, Schedule Analyzer, Claim Digger, Private Investigator, and PertMaster (Monte Carlo Risk Analyzer), as well as document management tools: Prolog, ProjectWise, and Contract Manager (Expedition).
Dorothy Schulz, PhD	Systems Safety Manager	Responsible for oversight of safety and security activities. She has been Director of Transit Security Practice at Interactive Elements for more than 20 years. She performs safety and security studies and oversights for various agencies. She also performs FTA State Oversight Agency (SOA) audits as well as Safety and Security Readiness Reviews (SSRRs). Dr. Schulz has written and/or reviewed numerous TVAs, PHAs, SSPPs, and SSPs; all require comprehensive understanding of the 882C Standard.
Arun Virginkar	Rail Equipment Engineer	Responsible for oversight of rail vehicle engineering and Buy America compliance. He has been involved with the PMOC Program since 1994. He has experience in contract management, vehicle and systems equipment engineering, operations and maintenance planning, system integration and testing, safety certification plans, and quality and system assurance. He also has specialized experience in Buy America Pre-Award and Post-Delivery audits of car builders.
Bob Merryman	Real Estate Manager	Responsible for oversight of real estate activities on the project. He has 35 years of practical experience in the implementation of the Uniform Act in federally funded projects. In addition, he has written three text books used by FHWA, as well as the one additional course text used by the FTA discussing the implementation of the Uniform Act. He also served as lead investigator on the business retrospective study for the Federal Highway Administration. The information gleaned from this investigation was to develop the most recent revisions to 49 CFR Part 24.

David Sillars, PhD	Risk Assessment Manager	Responsible for oversight of the risk management activities for the project. He has over 35 years of experience in risk and management consulting and transportation research. He assisted FTA with editing and developing the updated MAP-21 Risk and Contingency Management Oversight Procedure (OP 40) and updated FTA risk workbook. He has co-developed and delivered the New Starts risk management training program for the National Transit Institute on behalf of the FTA.
David Nelson	Transit Operations Manager	Responsible for oversight of the transit operations planning for the project Has more than 30 years of experience with in-depth, working knowledge of North American public transportation agencies. Was previously assistant director and project manager of planning and manager of transit applications for the Massachusetts Bay Transportation Authority and the manager of planning and administration for the Boston & Maine Railroad.

Appendix D: Project Overview and Map (Transmitted as a separate file)

Appendix E: Safety and Security Checklist (Transmitted as a separate file)

Appendix D: Project Overview and Map

Date: February 2016
Project Name: Honolulu Rail Transit Project
Grantee: City and County of Honolulu
FTA Regional contact: Catherine Luu
FTA HQ contact: Kim Nguyen

SCOPE

Description The proposed Project is an approximately 20-mile rail alignment extending from East Kapolei to Ala Moana Center.

Guideway The majority of the Project is to be built on aerial structure, but the Project also includes a short at-grade section (0.6 miles).

Stations 21 stations (20 aerial and 1 at-grade)

Support Facility Maintenance and Storage Facility (located near Leeward Community College)

Vehicles 80 light metro rail

Ridership 104,300 weekday boardings in 2019; 119,600 weekday boardings in 2030

SCHEDULE

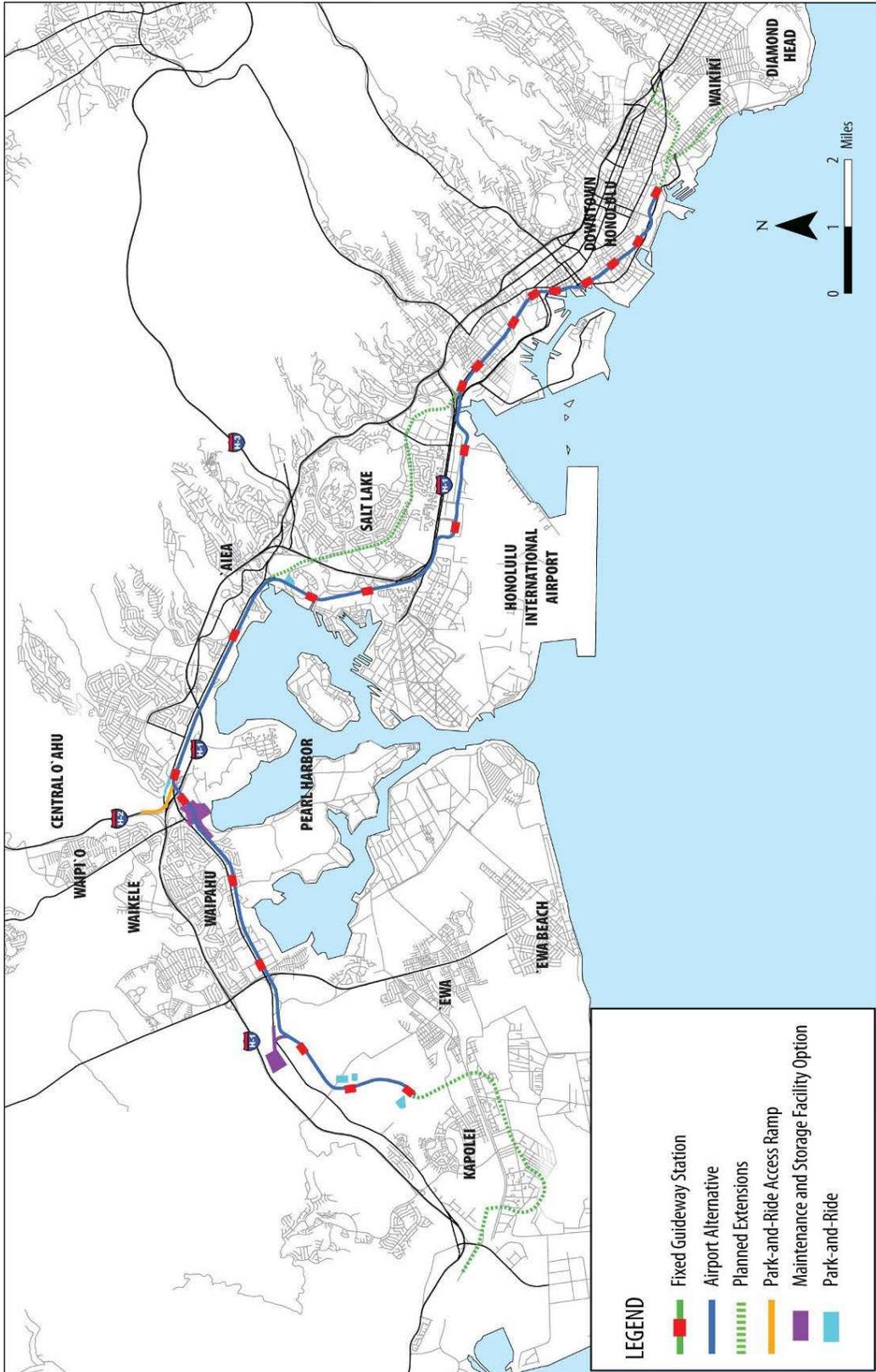
10/09 Approval Entry to PE	03/19 Estimated RSD at Entry to PE
12/11 Approval Entry to FD	03/19 Estimated RSD at Entry to FD
06/12 Request for FFGA	03/19 Estimated RSD at Request for FFGA
12/12 FFGA	01/20 RSD at FFGA

COST

\$5.348 B Total Project Cost (\$YOE) at Approval Entry to PE
\$5.126 B Total Project Cost (\$YOE) at Approval Entry to FD
\$5.122 B Total Project Cost (\$YOE) at request for an FFGA
\$5.122 B Total Project Cost (\$YOE) at FFGA

\$1.883B Amount of Expenditures at date of this report
43.0% complete (Total Project Expenditures/Total Project Cost)

Honolulu Rail Transit Project Map



Appendix E: Safety and Security Checklist

Project Overview			
Project Name	Honolulu Rail Transit Project		
Project mode (Rail, Bus, BRT, Multimode)	Rail		
Project phase (Preliminary Engineering, Final Design, Construction, or Start-up)	FD		
Project Delivery Method (Design/Build, Design/Build/Operate Maintain, CMGC, etc.)	DB, DBB and DBOM		
Project Plans	Version	Review by FTA	Status
Safety and Security Management Plan	5	Y	Complete
Safety and Security Certification Plan	4	Y	Complete
System Safety Program Plan			Submittal date Mar-13
System Security Plan or Security and Emergency Preparedness Plan (SSEPP)		N	TBD
Construction Safety and Security Plan	3	Jun-11	Completed Oct 2015
Safety and Security Authority	Y/N		Status
Is the grantee subject to 49 CFR Part 659 state safety oversight requirements?	Y		
Has the state designated an oversight agency as per Part 659.9	Y		Executive Order 10-04 effective April 6, 2010
Has the oversight agency reviewed and approved the grantee's SSPP as per Part 659.17?	N		Submission/Approval in 2013
Has the oversight agency reviewed and approved the grantee's Security Plan or SEPP as per Part 659.21?	N		Submission/Approval in 2013
Did the oversight agency participate in the last Quarterly Program Review Meeting?	Y		April 16, 2014
Has the grantee submitted its safety certification plan to the oversight agency?	Y		SOA information
Has the grantee implemented security directives issues by the Department Homeland Security, Transportation Security Administration?	N		None issued to date
SSMP Monitoring			
Is the SSMP project-specific, clearly demonstrating the scope of safety and security activities for this project?	Y		
Grantee reviews the SSMP and related project plans to determine if updates are necessary?	Y		
Does the grantee implement a process through which the Designated Function (DF) for Safety and DF for Security are integrated into the overall project management team? Please specify.	Y		
Does the grantee maintain a regularly scheduled report on the status of safety and security activities?	Y		Reported Monthly
Has the grantee established staffing requirements, procedures and authority for safety and security activities throughout all project phases?	Y		
Does the grantee update the safety and security responsibility matrix/organization chart as necessary?	Y		
Has the grantee allocated sufficient resources to oversee or carry out safety and security activities?	Y		
Has the grantee developed hazard and vulnerability analysis techniques, including specific types of analysis to be performed during different project phases?	Y		

Does the grantee implement regularly scheduled meetings to track to resolution any identified hazards and/or vulnerabilities?	Y	
Does the grantee monitor the progress of safety and security activities throughout all project phases? Please describe briefly.	Y	
Does the grantee ensure the conduct of preliminary hazard and vulnerability analyses? Please specify analyses conducted.	Y	
Has the grantee ensured the development of safety design criteria?	Y	
Has the grantee ensured the development of security design criteria?	Y	
Has the grantee verified conformance with the safety and security requirements in the design?	N	Will be done during FD/Construction
Has the grantee identified conformance with safety and security requirements in equipment and materials procurement?	N	Will be done during FD/Construction
Has the grantee verified construction specification conformance?	N	Will be done during construction
Has the grantee identified safety and security critical tests to be performed prior to passenger operations?	N	Will be done during Rail Activation phase
Has the grantee verified conformance with safety and security requirements during testing, inspection and start up phases?	N	Will be done during Rail Activation phase
Does the grantee evaluate change orders, design waivers, or test variances for potential hazards and/or vulnerabilities?	N	Will be done during FD/Construction
Has the grantee ensured the performance of safety and security analyses for proposed work-arounds?	N	Will be done during Rail Activation phase
Has the grantee demonstrated through meetings or other methods, the integration of safety and security in the following: <ul style="list-style-type: none"> • Activation Plan and Procedures • Integrated Test Plan and Procedures • Operations and Maintenance Plan • Emergency Operations Plan 	N	Will be done during Rail Activation phase
Has the grantee issued final safety and security certification?	N	Will be done after completion of Rail Activation phase
Has the grantee issued the final safety and security verification report?	N	Will be done during Rail Activation phase
Construction Safety		
Does the grantee have a documented/implementation Contractor Safety Program with which it expects contractors to comply?	Y	CSP development is included in construction contracts
Does the grantee's contractor(s) have a documented company-wide safety and security program plan?	TBD	Is a requirement of CSSP
Does the grantee's contractor(s) have a site-specific safety and security program plan?	TBD	Is a requirement of CSSP
Provide the grantee's OSHA statistics compared to the national average for the same type of work?	TBD	None developed yet
If the comparison is not favorable, what actions are being taken by the grantee to improve its safety record?	TBD	None developed yet
Does the grantee conduct site audits of the contractor's performance versus required safety/security procedures?	Y	Audit required in CSSP

Federal Railroad Administration		
If the shared track: has the grantee submitted its waiver request application to FRA? (Please identify any specific regulations for which waivers are being requested)	NA	
If the shared corridor: has grantee specified specific measures to address shared corridor safety concerns?	NA	
Is the Collision Hazard Analysis underway?	NA	
Other FRA required Hazard Analysis – fencing, etc?	NA	
Does the project have Quiet Zones?	NA	
Does FRA attend Quarterly Review Meetings?	NA	

ATTACHMENT F

PMOC MONTHLY REPORT

Honolulu Rail Transit Project
City and County of Honolulu
Honolulu Authority for Rapid Transportation (HART)
Honolulu, HI

February 2016 (FINAL)

PMOC Contract Number: DTFT60-14-D-00012
Task Order No. 3: Honolulu Rail Transit Project
Project No: DC-27-5288
Work Order No. 1
OPs Referenced: OP 1 and 25

Jacobs Engineering Group, Inc.

319 E. Warm Springs Road, Suite 200, Las Vegas, Nevada 89119

William Tsiforas, (702) 938-5400, william.tsiforas@jacobs.com

Length of Time Assigned: Five Years (February 18, 2015 through February 17, 2020)

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- Appendix E: Safety and Security Checklist (Transmitted as a separate file)

1.0 EXECUTIVE SUMMARY

1.1 Project Description

- **General Description:** The Project is a 20-mile-long elevated fixed guideway rail system along Oahu’s south shore between East Kapolei and Ala Moana Center. The Project will include 21 stations. The alignment is elevated, except for a 0.6-mile at-grade portion at the Leeward Community College station. The Project is planned to be delivered in four guideway segments.
 - Segment I (West Oahu/Farrington Highway) – East Kapolei to Pearl Highlands (7 miles/6 stations)
 - Segment II (Kamehameha Highway) – Pearl Highlands to Aloha Stadium (4 miles/3 stations)
 - Segment III (Airport) – Aloha Stadium to Middle Street (5 miles/4 stations)
 - Segment IV (City Center) – Middle Street to Ala Moana Center (4 miles/8 stations)
- **Length:** 20 miles
- **No. of Stations:** 21
- **Additional Facilities:** Maintenance and Storage Facility and parking facilities
- **Vehicles:** 80 vehicles
- **Ridership Forecast:** Weekday boardings – 104,300 (2020); 119,600 (2030)

1.2 Project Status

- Overall project is approximately 43.0% complete as of December 2015. The planned completion at this time is approximately 61% (based on HART’s S-curve late plan).
- Overall design of the project is approximately 87.8% complete as of December 2015. The planned completion at this time is approximately 98.2% (based on HART’s S-curve late plan). However, this percent complete may change as a result of utilizing DB procurement strategy for the Airport and City Center guideway and stations sections.
- Overall construction of the project is approximately 35.1% complete as of December 2015. The planned completion at this time is approximately 53.4% (based on HART’s S-curve late plan). Section 2.1.3 and Appendix B of this report provide the status of the current design and construction contracts. The following table provides the summary level status of the primary construction contracts:

Description	% Complete*		Schedule Status
	Actual**	Planned	
West Oahu /Farrington Highway (WOFH) DB Contract	81.1%	88%	6 months behind
Kamehameha Highway Guideway (KHG) DB Contract	49.7%	92%	12 months behind
Maintenance and Storage (MSF) DB Contract	85.5%	90%	On time
Core Systems Design-Build-Operate-Maintain (DBOM) Contract	28.4%	40%	6 months behind***
Airport Advanced Utilities Construction Contract	31.4%	70%	7 months behind
Farrington Highway Station Group Construction Contract	0%	0%	On time
West Oahu Station Group Construction Contract	0%	0%	On time

*As of November 2015

** HART’s assessment of Earned Value, which is based on a weighted expenditure calculation of the contract and is not a true Earned Value calculation.

***Contract schedule is to be re-baselined to incorporate new milestone dates due to re-procurement of Westside Stations Group and use of DB for the eastside guideway and stations.

1.3 Core Accountability Items

Project Status: FFGA		Original at FFGA	Current Estimate
Cost	Cost Estimate	\$5,122,000,000	\$5,122,000,000**
Contingency	Unallocated Contingency	\$101,900,000	\$11,500,000
	Total Contingency (Allocated plus Unallocated)	\$643,600,000	\$303,000,000
Schedule	Revenue Service Date (RSD)	1/31/2020	1/31/2020***
Total Project Percent Complete	Based on Expenditures	43.0% (as of December 25, 2015)	
	Based on Earned Value*	43.0%	

*HART's assessment of Earned Value, which is based on the weighted expenditure calculation of the individual construction and design contracts and is not a true Earned Value calculation

**Does not reflect HART's current EAC, which has not been validated and does not include all known potential costs.

***Does not reflect changes to Master Project Schedule, which is under revision.

Major Issues	Status	Comments/Planned Action
Cost Increase & Schedule Delays	HART has experienced delays and has incurred costs as a result of the state and federal lawsuits as well as protested procurements.	See PMOC Monthly Report Section 1.4 for status.
Post-Rod Changes	HART is considering several proposed design changes that may require additional environmental review.	FTA and HART hold bi-weekly meetings to discuss the status of any potential changes. HART has submitted or will submit information on each proposed change for FTA to determine the level of documentation required to assess impacts and subsequent mitigation measures.
Hawaii Electric Company (HECO)	50-foot clearance requirement for facility maintenance including pole replacement	See PMOC Monthly Report Section 1.4 for status.
Next Quarterly Meeting:	To be determined	

1.4 PMOC Issues or Concerns

- HART has presented information that forecasts an increase to project costs and an extension of the overall completion date for the project:
 - GET Extension – HART staff proposed the use of a 4% growth rate in the updated Financial Plan, which would add \$1.524 billion through the 5-year extension of the GET.
 - Master Project Schedule – Staff provided the following preliminary targets for Revenue Service Dates (RSD):
 - Phase 1 Milestone Ready for Revenue Service to Aloha Stadium – 3rd Quarter 2018
 - Phase 2 Milestone Ready for Revenue Service (full system) – 4th Quarter 2021
 - Project Cost Update – Staff provided the following preliminary information:
 - Updated Estimate at Completion (EAC) – \$6.5 billion

The Governor signed the bill on July 14, 2015. The City Council will need to amend an ordinance to enact the tax extension. On January 27, 2016, the City Council approved Bill 23 to extend collection of the GET to December 2027.

- Cost Containment/Cost Reduction Measures – The PMOC has discussed the project cost on a monthly basis with HART in an effort to ensure that cost issues are proactively addressed. HART has recently implemented Cost Containment and Cost Reduction measures in an effort to mitigate the cost increase. These efforts include:
 - Review of contract general terms and conditions to eliminate unique conditions and ambiguities that result in added costs
 - Significant revision of the project’s contract packaging strategy to simplify interface and create cost reduction opportunities through contractor proposed innovations
 - Development of a detailed cost reduction matrix that focuses on the remaining construction contracts (Value Engineering)
 - Review of interface milestones to help relieve schedule compression where possible
 - Review of various options related to financing of the project
 - Identification of items that could be considered Operations & Maintenance costs
 - Development of a HART Decision Milestone Matrix.

The PMOC will continue to hold Cost Containment Workshops with HART on a monthly basis to review the Cost Reduction Measures Matrix and HART’s Decision Milestone Matrix. Nevertheless, it is still anticipated that the Project cost will exceed the FFGA budget. Therefore, HART should initiate plans that identify Secondary Mitigation Measures and being implementation.

- HART intends to build an interim park-and-ride facility at the University of Hawaii West Oahu Station. This facility would be in use until the developer completes the structure over the Kaloi Channel that allows for access to the permanent location of the park-and-ride facility. HART is evaluating the issue to determine whether to use federal or local funds to build the interim facility. UH-West Oahu intends to use the interim facility for campus parking after HART no longer has need for the facility. However, it is not known how long the interim facility will be in use before the permanent facility can be constructed. If federal funds are to be used, clarification is needed to determine the anticipated period that the facility would be utilized by HART.
- Hawaiian Electric Companies (HECO)
 - HECO has a collective bargaining agreement that has different wage scales and allows payment to its labor forces biweekly, which does not satisfy Davis-Bacon. HECO has requested a waiver that has so far been denied by the Department of Labor (DOL), although HECO has appealed. Meanwhile, HECO is still paying a wage scale that is less than the prevailing wages required by the DOL. HART may have to pay for HECO prevailing wages if the appeal is denied by DOL. The potential HECO prevailing wage costs are not reflected in HART’s revised EAC. If the appeal is denied, it is unclear whether HART would be required to pay

HECO's prevailing wage costs retroactively to cover any field work that has been completed by HECO for the project. HART and HECO met with DOL officials in September 2015. DOL submitted several questions, which will be responded to by HECO. The USDOL ruling for compliance is pending receipt of HECO's responses. HECO will start paying wages on a weekly basis instead of bi-weekly. However, the HECO wage rates will not change unless a ruling is made by the USDOL. HECO will continue to pay wages on a weekly basis even if the ruling is favorable or unfavorable.

- 50-foot Clearance Issue – HART has assembled a Task Force Committee to review all options to help mitigate clearance issues.

HART has made the determination that they will underground HECO lines along a section of the Airport Segment (9 poles) and on a significant portion of Dillingham Boulevard within the City Center Segment (1.8 miles). However, HART has not resolved several issues including design responsibility, sequencing, milestone dates, etc. The MPS also does not contain sufficient detail to assess the impact of undergrounding the lines.

The PMOC had recommended that HART defer issuance of the RFP Part II for the City Center Guideway and Stations until they have more resolution on the undergrounding of the HECO lines. HART did defer RFP Part II, but intends to issue it in early February 2016. There are still a number of issues that must be resolved and addressed through addenda to the RFP.

If HART is required to underground all affected lines, it would have a significant impact on the project costs and schedule. HART has indicated that they have incorporated some exposure into their EAC and MPS for this, but not enough to cover the full cost and time if the HECO clearance preferred solution requires complete undergrounding. This is currently HART's most significant risk to the project.

- HECO Relocation Services – Relocations are ongoing. HART has indicated that HECO has been able to complete relocations in advance such that the WOFH and KHG contracts have not been impacted. No relocations have been required for station contracts yet. All relocation locations are discussed at weekly coordination meetings.
- HECO has identified equipment that may mitigate the 46KV distribution line relocations. The equipment manufacturer is Altec, and HECO will test the equipment for approximately three months. HART may be responsible for acquisition of the equipment if it is found to be acceptable by HECO. HART requested the equipment designer to be present during testing to possibly modify equipment so that it could be used for both 46 KV and 138KV lines.

- Buy America – There are 15 Train Control & Communication Rooms (TCCR) along the guideway corridor. Each TCCR will “house” only Train Control and Communications equipment for the Core Systems Contract. HART wanted to ensure that Train Control and Communications equipment will comply with federal Buy America regulations in 49 CFR 661. HART was recently informed by CSC Contractor that the Variable Refrigerant Flow (VRF) air conditioning equipment in the TCCR will not be sourced from the USA. These equipment items are not included in the 49 CFR 661.11 (t) & (u) list. HART sought clarification from FTA that Buy America regulation would allow them to be foreign and still comply with the minimum 60% domestic content requirement of the “rolling stock end product” as described at Appendix A to 49 CFR 661.3. FTA determined and informed HART that FTA does not find that the VRF is either train control or communications equipment and, as such, is not rolling stock for purposes of 49 CFR 661.11. HART has indicated they are now preparing a Waiver Request for the Train Control and Communications Equipment Variable Refrigerant Flow. HART submitted a Waiver Request to FTA on February 8, 2016.

AHJV has changed the truck body supplier for the LRVs. AHJV is verifying the calculation for Buy America percentage for the vehicles and will submit that information to HART for review.

2.0 BODY OF REPORT

2.1.1 Project Status

- Overall project is approximately 43.0% complete as of December 2015. The planned completion at this time is approximately 61.0% (based on S-curve late plan).
- Overall design of the project is approximately 87.8% complete as of December 2015. The planned completion at this time is approximately 98.2% (based on S-curve late plan). However, this percent complete may change as a result of utilizing DB procurement strategy for the Airport and City Center guideway and stations sections.
- Overall construction of the project is approximately 35.1% complete as of December 2015. The planned completion at this time is approximately 53.4% (based on S-curve late plan).
- Section 2.1.3 and Appendix B of this report provide the status of the current design and construction contracts. Section 2.1.3 and Appendix B of this report provide the status of the current design and construction contracts.

2.1.2 Status of Procurement

- Kamehameha Highway Station Stations Group – Bids were received November 17, 2015. Engineers Estimate was \$108M. Watts Construction was the apparent low bidder with \$112.7M but they were found to non-responsive. Watts filed a protest that was denied by HART. Watts did not appeal HART’s decision and the deadline for an appeal has passed. HART awarded the contract to Nan, Inc. on January 27, 2016.
- Airport Guideway and Stations DB Contract – Final date for submission of Alternate Technical Concepts was December 18, 2015. RFP Part II responses (price and technical) are due March 22, 2016. A Best and Final Offer (BAFO) is possible, but HART does not intend to utilize. If BAFO is used, it could affect schedule. Award is anticipated to occur in May 2016.
- City Center Guideway and Stations DB Contract – RFP Part I responses were received November 18, 2015. RFP Part II is to be issued February 2, 2016. Award is tentatively scheduled for September 2016. HART intended to utilize WOFH/KHG precast site for City Center DB Contract. However, negotiations to continue having access to site are not progressing quickly enough. Therefore, HART has identified an alternative location. If this alternative location is utilized, it would require Post-ROD approval from FTA. The PMOC emphasized that it is critical for HART to resolve this issue to support the procurement schedule and to not further delay the RFP process.
- Dillingham Utilities and Road Widening – HART will eliminate this package. This work will be completed under the City Center Guideway and Stations DB Contract and through an On-Call Construction Contract.
- Pearl Highlands Parking Structure DB Contract – HART is reviewing various options including partial buildout to support RSD and full buildout under a Public Private Partnership (PPP). HART staff will begin updating a DB package that could be advertised in summer 2016.
- Fare Collection System – Request for Proposal (RFP) was issued August 11, 2015. Bids were received on November 13, 2015 and are being evaluated.

- HART indicated that several other contracts were in process to be procured:
 - On-Call Construction III
 - ROW Support II – HART may use funds from SCC 60 already captured for ROW costs or allocated contingency for this contract.
 - Eminent Domain/Legal Support – HART may use funds from SCC 60 already captured for ROW costs or allocated contingency for this contract.
 - Outside Council for Land Court Petition Services – HART may use funds from SCC 60 already captured for ROW costs or allocated contingency for this contract.
 - On-Call Appraiser Contract – HART may use funds from SCC 60 already captured for ROW costs or allocated contingency for this contract.
 - UH West Oahu Temporary Park and Ride and UH West Oahu Campus Road “B”- HART may use allocated contingency to cover costs.
 - Core Systems Back-up Generators – HART captured these costs in forecast for CSC.
 - Photovoltaic for Rail Operations Center (ROC) – HART captured these costs in the forecast for CSC.

2.1.3 Status of Primary Construction Contracts

- West Oahu/Farrington Highway (WOFH) Design-Build (DB) Contract –
 - Contract is approximately 81.1% complete based on earned value (design and construction activities). The planned earned value at this time is approximately 89.2%.
 - The contract is approximately six months behind schedule. The delay is the result of lower-than-planned production rates and lack of site access. HART and KIWC have been working to mitigate impacts to critical path activities. A revised baseline schedule was submitted by the contractor in August 2015 and is under review by HART. It is anticipated that the substantial completion milestone will be modified to reflect the delay.
 - Approximately five miles of guideway have been erected. All shafts are complete and only 33 spans remain to be erected. Guideway construction will be complete in summer 2016.
 - Overall quality of the contract is good, but there are some issues as discussed in Section 2.6 of this report.
- Kamehameha Highway Guideway (KHG) DB Contract –
 - The contract is approximately 49.7% complete based on earned value (design and construction activities). The planned earned value at this time is approximately 93.5%.
 - The contract is approximately 12 months behind schedule. HART has indicated that the delay is the result of lower-than-planned production rates, weather, and failure by the contractor to provide required labor and material to perform required column and foundation work. A revised schedule was submitted in September 2015, re-sequencing the guideway and road work. That schedule is currently being reviewed by HART. Guideway is currently forecasted to be

complete in April 2017. However, the completion of the overall contract has been pushed out to September 2017.

- Guideway erection began in September 2015.
- KIWC has mobilized a third guideway erection truss to help mitigate the WOFH and KHG delays, and overall construction progress has improved over past several months.
- Maintenance and Storage (MSF) DB Contract –
 - The contract is approximately 85.5% complete based on earned value (design and construction activities). The planned earned value at this time is approximately 92%.
 - Building structures are essentially complete with interior buildout continuing.
 - HART has indicated that contract substantial completion is essentially on time and scheduled to be completed in May 2016. However, there appears to be a number of items that must be completed prior to occupancy. PMOC will closely monitor this contract to assess whether the target date for occupancy is realistic.
 - Overall quality of the contract is good.
- Airport Advanced Utilities Construction Contract –
 - Contract is approximately 31.4% complete based on Earned Value. The planned earned value at this time is approximately 35%.
 - The contract is approximately seven months behind schedule. The delay was due to issues with Navy right of entry (ROE) for construction. HART's planned earned value has been adjusted as a result of the delayed access.
- Farrington Highway Station Group Construction Contract –
 - The contract is approximately 0% complete based on HART's earned value calculation. HART's planned earned value at this time is approximately 0%.
 - The baseline schedule has not yet been approved.
 - Construction is anticipated to begin in March 2016.
- West Oahu Station Group Construction Contract –
 - The contract is approximately 0% complete based on HART's earned value calculation. HART's planned earned value at this time is approximately 0%.
 - The baseline schedule has not yet been approved.
 - Construction is anticipated to begin during the First Quarter of 2016.

2.1.4 Status of Core Systems Contract

Core System Description	Status
General	
Overall	<p>Contract is approximately 28.2% complete based on expenditures (design, manufacturing, and construction activities). The planned completion at this time is approximately 40% (based on late plan S-curve).</p> <p>Hitachi, LTD completed its acquisition of Ansaldo Breda and Ansaldo STS on November 2, 2015. HART met with Hitachi representatives and was told that there would be no immediate changes in management or staffing of AHJV.</p>
Design	<p>Following are the approximate levels of design completion</p> <ul style="list-style-type: none"> • LRVs – 100% (Interim Design), 76% (Final Design) • Train Control – 93% (Interim Design), 99% (Final Design) • Traction Power – 100% (Interim Design), 100% (Final Design) • Communications – 100% (Interim Design), 45% (Final Design) • Fire Detection – 100% (Interim Design), 56% (Final Design) • PSG, UPS, MPV – N/A (Interim Design), 78% (Final Design) <p>(Note: HART reports earned value only for the overall contract, not for design of the individual components.)</p>
Testing	Initial testing of the PSG mockup has been postponed until March 2016 due to mechanical issues. The PSG are not on the critical path.
Construction	Construction activity will not begin along guideway until 1Q16.
Schedule	AHJV revised baseline contract schedule was approved. However, re-procurement of Westside Stations Group and use of DB for the eastside guideway and stations will result in another revision to the CSC schedule. Revisions to the station and guideway Construction Access Milestone (CAM) dates will affect substantial completion of the AHJV work. HART anticipates that AHJV will submit a change request for extended overhead and escalation due to delay as a result. HART wants to ensure that the milestone dates it provides AHJV for its schedule update will not change.
Staffing	HART is satisfied with the current staffing levels provided by AHJV.
System Performance Design	There are some concerns with AHJV's method for calculating headways and round-trip times. Alignment changes from Airport and City Center Fixed Facility Contractors may affect system performance. A full analysis was completed by AHJV and approved by HART in September 2015. The System Performance Analysis was reviewed by the PMOC and comments were provided to HART.
Vehicle Subsystem	
Vehicle Schedule	Shipment of the first LRV to Honolulu is scheduled for March 2016. AHJV was having issues with truck supplier (DRS) and has subsequently elected to change the supplier. Delivery of the second LRV is planned for summer 2016. Three (3) Maintenance-of-Way Vehicles (MOW) were delivered on February 8, 2016.

Core System Description	Status
Buy America	<p>HART performed a Buy America Audit of the LRVs. HART intends to report the percentage based on the trainset, not type of car (End and Middle). Based on the trainset, the US content is 63%. Based on the type of car, the percentages are 64% (E car) and 62% (M car), which satisfy the minimum 60% US content for rail vehicles under Buy America.</p> <p>AHJV has changed the truck body supplier for the LRVs. AHJV is verifying the calculation for Buy America percentage for the vehicles and will submit that information to HART for review.</p>
Ship America	AHJV is negotiating terms with a carrier to transport the LRVs from Italy to US mainland and from US mainland to Hawaii. Once that agreement is finalized, HART will provide confirmation to FTA. AHJV received approval from the US Maritime Agency to ship the first 4 vehicles from a non-US carrier.
Traction Electrification Subsystem	
Middle Street AM Antenna	HART has identified an alternate location to relocate the AM Antenna. ROW is working to execute the agreement and relocate. Shielding is no longer necessary.
O&M Subsystem	
MSF O&M	AHJV has provided preliminary MSF Operations Plans, but will resubmit to better follow HART's O&M Plan and FTA guidelines. CSC construction work is anticipated to be completed in late 2016. Fire detection will be completed in April 2016, which is required for occupancy.
Hawaiian Electric Companies (HECO)	
Activation Dates	HART and HECO are coordinating project schedule and HECO activation start dates for power.
Service Requests	AHJV has submitted HECO service requests for all system sites. Design coordination is progressing.

2.1.5 Real Estate Acquisition

- HART has completed all appraisals of required properties identified to date.
- Settlements Not Approved by FTA – Three large settlements have not been approved by FTA. The PMOC met with HART staff to discuss what information should be provided to increase possibility for approval by FTA.
- Resolution of the HECO 50-foot offset issue will add numerous easements to the project. HART is considering a separate consultant team to acquire these parcels. They may elect to use waivers instead of formal appraisals for many of these parcels. FTA increased administrative utilities amount for HART from to \$25,000, which should allow HART to accelerate acquisition of their easement.
- Two parcels were not approved by City Council for condemnation – One parcel will be deleted from the project through a minor change in design. The other parcel is still needed, and HART will again seek authority from the City Council to condemn.

2.1.6 Third Party Agreements and Coordination

The following agreements are critical and will impact the project if not completed in the near term:

- Aloha Stadium Construction Right of Entry (CROE) – DRAFT Agreement has been routed for review. Department of Accounting and General Services (DAGS), Stadium Authority and HART are scheduled to meet week of January 14, 2016 to discuss the agreement, which must be in place by mid-2016 to not impact the schedule.
- University of Hawaii Right of Entry – Construction Rights of Entry are pending.
- GSA – An MOU is pending with the GSA for all work adjacent to the Federal courthouse. This will include protective measures (e.g. barriers) along the station and guideway. The PMOC inquired whether GSA will have the right to review the final design since this work will now be completed under a DB contract. HART was uncertain, but will review the terms of the MOU and will provide clarification. The HDOT SOA is aware of the issue and is waiting for HART to resolve the issue. The MOU is not on the critical path, but if this issue is not resolved by May 2016, it may become critical. Details of the MOU have been substantially agreed to, but HART is awaiting a landscape plan that is being prepared by the GSA. The cost of this plan must be analyzed to determine whether it falls within HART's budget.
- US Post Office – HART and USPS are in disagreement on the value of property. HART has engaged their congressional delegation to assist in advancing negotiations. HART is still in negotiations with the USPS, but HART cannot condemn the federally owned property.
- US Navy – The Current Base Commander would like to finalize the license agreement prior to change of Base Command staff, which will occur spring 2016.
- The outstanding third party agreements may affect construction contracts if not resolved in the next 4-6 months.

2.1.7 Environmental mitigation measures

- Proposed Design Changes/Refinement – HART is considering several proposed design refinements that may require additional environmental review. FTA and HART hold bi-weekly meetings to discuss the status of any potential changes. HART has submitted or will submit information on each proposed change for FTA to determine the level of documentation required to assess impacts and subsequent mitigation measures. HART has indicated that they anticipate submitting information for all outstanding critical Post-ROD changes to the FTA in February or March 2016. HART must submit Post Rod changes for Backup Generators, Makai Precast Yard for Airport Guideway and Stations and another Precast Yard close to the Makai site for the City Center Guideway and Stations Project. Post Rod changes need to be approved by FTA prior to HART awarding these contracts.

2.2 Project Management Plan (PMP) and Sub-Plans

HART is in the process of updating several of its procedures and management plans. These updates are necessary due to HART organizational changes and the contract packaging changes that are being implemented. It is critical for HART to update these plans and procedures soon. Following is the status of the key management plan updates:

Plan	Status	Note
Project Management Plan (PMP)	Approved for FFGA but plan is being updated.	Draft PMP submitted to the PMOC for review in July 2015 without detailed budget and schedule information. HART will incorporate this information when it becomes available (tentatively August 2016). PMOC comments were provided to HART.
Contract Packaging Plan (CPP)	Approved for FFGA but update is pending	CPP must still be updated to reflect MPS and EAC changes.
Construction Management Plan	PMOC provided review comments	Draft CMP submitted to the PMOC for review in December 2015. Comments provided to HART in February 2016. HART responded to PMOC comments February 26, 2016.
Construction Safety Plan	No PMOC comments	HART staff was notified of the Construction Safety and Security Plan, Rev. 3, via CMS email on October 22, 2015
Change Procedure	PMOC provided review comments	Draft change procedure 5.CA-11 submitted to the PMOC for review in December 2015. PMOC provided comments to HART on February 7, 2016. HART responded to PMOC comments February 26, 2016.
Quality Management Plan	No PMOC comments	HART staff was notified of the Quality Management Plan, Rev 2, via CMS email on October 21, 2015.
Risk and Contingency Management Plan (RCMP)	Approved for FFGA but update is pending	Update is pending outcome of Risk Refresh
Financial Plan	Approved for FFGA. Draft Financial Plan submitted to FTA/PMOC for review.	Draft Financial Plan submitted to FTA/PMOC on August 14, 2015, which is based on HART's preliminary EAC and MPS. HART needs to await final action on the GET extension and

		approval of a revised FFGA budget by the FTA before it can update the plan.
Real Estate Acquisition and Management Plan (RAMP)	Approved for FFGA.	FINAL DRAFT RAMP submitted on September 1, 2015.
Operations and Maintenance Plan (OMP)	PMOC provided review comments	Draft OMP submitted to the PMOC for review in September 2015. Comments were provided to HART on December 17, 2015. HART responded to PMOC comments on 2/16/16.
Rail Fleet Management Plan (RFMP)	PMOC provided review comments	Draft RFMP submitted to the PMOC for review in September 2015. Comments were provided to HART on December 17, 2015. HART responded to PMOC comments 2/16/16.
Safety and Security Management Plan (SSMP)	PMOC provided review comments	Draft SSMP submitted to the PMOC for review in November 2015. Comments were provided to HART on February 5, 2016. HART to respond to PMOC comments.
Safety and Security Certification Plan (SSCP)	PMOC provided review comments	Draft SSCP submitted to the PMOC for review in November 2015. Comments were provided to HART on February 5, 2016. HART to respond to PMOC comments.

2.3 Management Capacity and Capability (MCC)

HART has gone through a considerable number of organizational changes since the FFGA was executed in December 2012. The PMOC has recommended that HART review its staffing and consider changes to streamline the organization. HART has begun reviewing the project organization to determine if changes can be made to be more effective. Project staff has also begun updating the project's numerous plans and procedures to reflect these changes. HART's update of the management plans must incorporate any organizational changes that are proposed or already accomplished. It has become critical that any changes be documented in the various management plans immediately.

The following is a summary of key open positions:

- Deputy Director of Construction has tendered his resignation. Kai Nani Kraut (PMC) will act as the Interim West Construction Manager. Kevin Cox (PMC) is the East Construction Manager.
- Director of Operations & Maintenance (Existing Position) – Recruiting is ongoing.
- West Area Construction Manager (New Position) – Target 1Q16 to fill position.
- WOFH/KHG Project Manager (Existing Position) – Interim West Construction Manager will work as interim Project Manager until a replacement is recruited.
- Project Manager Kamehameha Highway Station Group (KHSB)/H2R2 Ramp (New Position) – Target 1Q16 to fill position.
- Assistant Project Manager City Center (New Position) – target December 2015 to fill position.
- Chief Financial Officer has tendered her resignation. HART will initiate a search for a replacement.
- Risk Manager – HART has appointed a member of the GEC as the Acting Risk Manager. The PMOC strongly recommends that HART make this a full-time position that is

independent from the Project Controls or Design and Construction groups. HART should make this a priority.

HART Executive Director and Project Director are to review the staffing plan through completion of project to determine if agency and consultant staffing levels can be optimized as a cost reduction measure.

2.4 Project Cost

The grantee's Base Cost Estimate (BCE) dated March 19, 2012 is \$5.122 billion in Year-of-Expenditure (YOE) dollars, including \$644 million in allocated and unallocated contingency (or 15.0% of the BCE) and \$173 million in financing costs. Of the \$644 million in total contingency, \$101 million is unallocated. The current Project Budget is as follows:

Source	Amount
Base Cost Estimate	\$4,305 billion
Total Contingency	\$0.644 billion
Finance Charges	\$0.173 billion
Total Project Cost	\$5.122 billion

Total Expenditures to Date – \$1.883 billion (through December 2015)

The following table presents the FFGA budget and expenditures to date. The Estimate at Completion (EAC) for each SCC will be provided once HART re-baselines its budget.

SCC	SCC Description	FFGA Budget	Base Cost	Allocated Cont.	Incurred
10	GUIDEWAY & TRACK ELEMENTS	1,275,328,962	1,114,305,144	161,023,818	277,113,495
10.02	Guideway: At-grade semi-exclusive	0	0	0	17,378
10.04	Guideway: Aerial structure	1,175,328,184	1,022,380,670	152,947,514	225,597,278
10.08	Guideway: Retained cut or fill	8,077,393	7,492,943	584,450	0
10.09	Track: Direct fixation	86,332,027	79,437,204	6,894,823	51,495,763
10.11	Track: Ballasted	3,550,634	3,293,724	256,910	0
10.12	Track: Special (switches, turnouts)	2,040,724	1,700,603	340,121	3,076
20	STATIONS, STOPS, TERMINALS, INTERMODA	506,165,689	421,804,742	84,360,947	5,066,456
20.01	At-grade station, stop, shelter, mall, terminal, platform	7,333,599	6,111,333	1,222,266	0
20.02	Aerial station, stop, shelter, mall, terminal, platform	353,476,148	294,563,457	58,912,691	0
20.06	Automobile parking multi-story structure	79,690,518	66,408,765	13,281,753	0
20.07	Elevators, escalators	65,665,424	54,721,187	10,944,237	5,066,456
30	SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS	99,425,456	92,535,013	6,890,443	90,169,783
30.01	Administration Building: Office, Sales	0	0	0	191,435
30.02	Light Maintenance Facility	8,161,279	7,591,887	569,392	4,559,985
30.03	Heavy Maintenance Facility	40,906,889	38,099,138	2,807,751	29,157,826
30.04	Storage or Maintenance of Way Building	8,382,270	7,797,460	584,810	6,803,772
30.05	Yard and Yard Track	41,975,018	39,046,528	2,928,490	49,456,765
40	SITework & SPECIAL CONDITIONS	1,103,867,264	980,569,426	123,297,838	525,282,842
40.01	Demolition, Clearing, Earthwork	34,695,802	29,980,157	4,715,645	2,539,412
40.02	Site Utilities, Utility Relocation	350,694,801	299,449,755	51,245,046	112,539,707
40.03	Haz. mat'l, contam'd soil removal/mitigation, ground water treatments	7,228,935	6,590,542	638,393	2,706,597
40.04	Environmental mitigation, e.g. wetlands, historic/archeologic, parks	30,841,906	26,979,122	3,862,784	10,816,505
40.05	Site structures including retaining walls, sound walls	8,637,582	7,998,960	638,622	4,618,004
40.06	Pedestrian / bike access and accommodation, landscaping	48,262,816	41,073,897	7,188,919	50,000
40.07	Automobile, bus, van accessways including roads, parking lots	212,536,181	181,979,369	30,556,812	5,472,264
40.08	Temporary Facilities and other indirect costs during construction	410,969,241	386,517,624	24,451,617	386,540,353
50	SYSTEMS	247,460,781	221,284,483	26,176,298	37,082,160
50.01	Train control and signals	91,492,532	81,982,556	9,509,976	2,250,972
50.02	Traffic signals and crossing protection	12,524,011	10,458,227	2,065,784	0
50.03	Traction power supply: substations	32,873,934	29,500,927	3,373,007	4,751,819
50.04	Traction power distribution: catenary and third rail	36,426,286	32,878,150	3,548,136	16,942,495
50.05	Communications	59,889,234	53,691,339	6,197,895	14,268,775
50.06	Fare collection system and equipment	10,221,753	9,159,277	1,062,476	(1,131,901)
50.07	Central Control	4,033,031	3,614,007	419,024	0
	Construction Subtotal (10 - 50)	3,232,248,152	2,830,498,808	401,749,344	934,714,736
50.07	Central Control	4,033,031	3,614,007	419,024	0
60	ROW, LAND, EXISTING IMPROVEMENTS	222,188,386	197,397,947	24,790,439	100,303,144
60.01	Purchase or lease of real estate	201,658,907	179,360,664	22,298,243	88,850,279
60.02	Relocation of existing households and businesses	20,529,479	18,037,283	2,492,196	11,452,865
70	VEHICLES	208,501,186	186,829,020	21,672,166	34,051,880
70.02	Heavy Rail	186,061,066	166,721,385	19,339,681	26,259,419
70.06	Non-revenue vehicles	16,011,166	14,346,923	1,664,243	7,792,461
70.07	Spare parts	6,428,954	5,760,712	668,242	0
80	PROFESSIONAL SERVICES	1,183,826,026	1,090,438,814	93,387,212	774,986,111
80.01	Preliminary Engineering	95,120,484	94,055,262	1,065,222	103,435,648
80.02	Final Design	257,934,908	228,321,632	29,613,276	163,164,307
80.03	Project Management for Design and Construction	385,825,694	366,458,463	19,367,231	313,488,523
80.04	Construction Administration & Management	218,155,752	199,656,728	18,499,024	82,963,677
80.05	Professional Liability and other Non-Construction Insurance	52,138,030	46,549,724	5,588,306	28,408,468
80.06	Legal; Permits; Review Fees by other agencies, cities, etc.	76,135,125	67,641,006	8,494,119	21,141,132
80.07	Surveys, Testing, Investigation, Inspection	24,955,327	21,759,335	3,195,992	29,585,563
80.08	Start up	73,560,706	65,996,664	7,564,042	32,798,793
90	Subtotal (10 - 80)	4,846,763,750	4,305,164,589	541,599,161	1,844,055,871
	UNALLOCATED CONTINGENCY	101,871,170	0	101,871,170	0
100	Subtotal (10 - 90)	4,948,634,920	4,305,164,589	643,470,331	1,844,055,871
	FINANCE CHARGES	173,058,242			0
	Total Project Cost (10 - 100)	5,121,693,162	4,305,164,589	643,470,331	1,844,055,871
	Provisional Request for Payment				39,255,396
	Total Project Cost (10 - 100)	5,121,693,162	4,305,164,589	643,470,331	1,883,311,267

HART’s current Estimate at Completion (EAC) indicates that the Project cost will most likely exceed the FFGA budget primarily due to the AIS, federal lawsuit delays, subsequent impact of current market conditions, and several other items that are anticipated to be an additional cost to the project. HART is continuing to review the project budget and will update the EAC accordingly.

2.4.1 Contingency

HART staff presented the status of the program budget and schedule to the Board of Directors at the October and November 2015 monthly meetings. Forecasts indicated an increase to project costs and extension of the overall completion date for the project:

- Updated Estimate at Completion (EAC) – \$6.5 billion
- Updated EAC includes \$240 million in Allocated Contingency and \$299 million in Unallocated Contingency.
- Updated finance costs include \$310 million.

HART staff has begun providing supporting documentation for the updated cost and schedule. However, there are several significant cost-related items that have been discussed with HART that the PMOC believes are not fully addressed in the EAC. Some of these items include:

- Cost for full buildout of Pearl Highlands Parking Garage
- HECO clearance issue
- Real estate adjustments
- Full exposure of WOFH, KHG, and CSC delays
- Park-n-Ride lots
- OCIP adjustment for time extensions
- Elevator/Escalator Contract escalation
- Miscellaneous support contracts (e.g. ROW support, On-Call Construction, Eminent Domain Legal Support)

The PMOC will develop proposed adjustments to the EAC for inclusion in the model to be used for the Risk Refresh. Once the EAC is finalized, HART must also then update the contingency drawdown curve for inclusion in the Risk and Contingency Management Plan and Monthly Reports.

2.4.2 Funding Sources

The following are the project capital revenue (funding) sources:

Source	Amount
General Excise Tax (GET)	\$3.358 billion
Section 5309	\$1.550 billion
Section 5307	\$0.210 billion
American Recovery and Reinvestment Act (ARRA)	\$0.004 billion
Total	\$5.122 billion

Following is the status of HART’s GET receipts:

- HART has received approximately \$1.586 billion in GET funds since 2007.

- HART has received approximately \$1.208 billion in GET funds since Preliminary Engineering, which began in October 2009.

HART has indicated that it will not have access to \$210 million in Section 5307 funds for the project. The Hawaii State Legislature passed House Bill 134, which would extend the City and County of Honolulu's current 0.5% surcharge on the state's General Excise Tax (GET) for the rail transit project for an additional five years through 2027. Initial estimates indicated that the GET extension could generate approximately \$1.8 billion in revenue at a 5 percent growth rate. However, more current (and conservative) forecasts indicate that the additional revenue will be closer to \$1.5 billion.

The Governor signed the bill on July 14, 2015. The City Council will need to amend an ordinance to enact the tax extension. On January 27, 2016, the City Council approved Bill 23 to extend collection of the GET to December 2027.

2.5 Project Schedule

HART staff provided the following preliminary targets for Revenue Service Dates (RSD):

- Phase 1 Milestone Ready for Revenue Service to Aloha Stadium – 3rd Quarter 2018
- Phase 2 Milestone Ready for Revenue Service (full system) – 4th Quarter 2021

HART indicated that a revision is underway to account for elimination of the Dillingham Utilities and Road Widening package. This work will be completed under the City Center Guideway and Stations DB Contract and through an On-Call Construction Contract. PMOC also has concerns that MPS does not fully account for HECO undergrounding activities along Dillingham Boulevard, which would affect the critical path. These changes will affect RSD of the full system. HART is reviewing several schedule scenarios internally. HART committed to providing the updated MPS by February 29, 2016. It is critical that HART meet this deadline, so the PMOC has sufficient time to prepare for the Risk Refresh Workshop.

The following is a look ahead for important activities associated with the Project:

Period: March 2016 – May 2016		
Activity	Responsibility	Date
Monthly Progress Meeting	FTA, HART and PMOC	February 10, 2016
Monthly Progress Meeting	FTA, HART and PMOC	March 9, 2016
Risk Refresh	FTA, HART and PMOC	March 30, 2016
Monthly Progress Meeting (Conference Call)	FTA, HART and PMOC	April 13, 2016
Monthly Progress Meeting	FTA, HART and PMOC	TBD
Quarterly Meeting	FTA, HART and PMOC	TBD

2.6 Quality Assurance/Quality Control (QA/QC)

- WOFH Span 17 Damage and Repair – During the erection in March 2015, three segments were damaged due to unbalanced support from the temporary bearings. KIWC has submitted a repair procedure, which was approved by HART. KIWC has ordered special forms to complete the repairs, which are not on the critical path.

- Plinthless Track – KIWC had proposed fabrication of precast guideway segments to eliminate the need for plinths. However, KIWC had issues with geometry control in casting and erection that have resulted in deviations in vertical and horizontal alignment that exceeds tolerances in several locations. KIWC and HART are discussing options for these locations. It should be noted that KIWC’s geometry control on more recent segments are within tolerances. HART engaged technical staff from other transit agencies to complete a Peer Review of the situation and provide some recommendations. Indications are that HART will accept shimming of the track and may receive a credit from KIWC.
- Following is a summary of Non-Conformance Reports (NCR) that have been issued:

Contract	Description	NCRs		
		Issued	Closed	Open
DB-120	West Oahu/Farrington Highway	501	453	48
DB-200	Maintenance and Storage Facility	31	27	4
DB-320	Kamehameha Highway Guideway	107	83	24
DBOM-920	Core Systems Contract	382	304	78

It should be noted that the increase in Open NCRs for the WOFH DB Contract is primarily the result of items identified in the precast yard and the concrete consolidation issues with drilled shafts. KHG DB contract is experiencing similar concrete consolidation issues with the drilled shafts. However, KIWC has developed measures to correct these NCRs and help prevent issues in the future.

2.7 Safety and Security

- HART provided an updated Roadmap to the PMOC dated January 16, 2016. The PMOC recommends HART to review the updated Roadmap, which must include milestone dates for all safety certification activities that are related to the MSF facilities and MSF CSC rail activation. The safety certification activities requiring milestone dates include: design/construction conformance review certifications; System Integration Testing; issuance of manuals, operating procedures, training, and other start up elements. A similar breakdown of milestone dates must to be done for the WOFH Guideway and the other contracts that identifies when these Fixed Facilities will be completed and the CSC will be performing functional tests.
- The substantial completion date for the MSF buildings is tentatively scheduled for May 2016 and the WOFH CSC substantial completion date is tentatively scheduled for September 2016. The PMOC is concerned that these dates might not be met given the number of deliverables that must be completed. The Rail Activation Committee has been formed as of February 2016 but some HART staff is filling dual roles. HART provided a baseline Operational Readiness checklist and a hold point plan for rail activation needed for the MSF and WOFH. Although HART will not be ready for revenue operations for a few years, HART will have an active MSF rail yard and will be performing rail vehicle functional tests/preliminary rail operations to meet the Revenue Operation Date (RSD) or for an Interim Opening which may be earlier than the RSD. The items listed in the bullet above are required for safety certification to allow preliminary rail operations.

- HART has completed 100% design conformance reviews for the WOFHSG and FHSG contracts. The PMOC is pleased with the design conformance review progress and HART is performing over the shoulder construction conformance reviews to accelerate the approval process HART, which is very positive.
- HART provided the PMOC with the DRAFT MOU with the GSA for all work adjacent to the Federal courthouse. This will include any protective measures (e.g. barriers) along the station and guideway. The MOU does not indicate whether GSA will have the right to review the final design since this work will now be completed under a DB contract. HART Project Director is still pursuing this issue to determine what review authority GSA will have.
- HART accepted delivery of three (3) Maintenance-of-Way Vehicles (MOW) delivered on February 8, 2016. Interim certification was issued by Safety and Security with a list of open items and restrictions.
- HDOT will work with HART Safety and Security to provide questions on the NPRM issued by FTA, which is due on April 5, 2016.

2.8 Project Risk

The PMOC has discussed the project cost on a monthly basis with HART in an effort to ensure cost issues are proactively addressed. HART has recently implemented Cost Containment and Cost Reduction measures in an effort to mitigate the cost increase. These efforts include:

- Significant revision of HART's contract packaging strategy
- Development of a detailed cost reduction matrix that focuses on the remaining construction contracts (Value Engineering)
- Review of interface milestones to help relieve schedule compression where possible
- Review of various options related to financing of the project
- Identification of items that could be considered Operations & Maintenance costs
- Development of a HART Decision Milestone Matrix.

HART continues to update the Cost Reduction Measures matrix and Decision Milestone Matrix on a regular basis (at least monthly). The PMOC will continue to hold Cost Containment Workshops with HART on a monthly basis to review the Cost Reduction Measures Matrix and HART's Decision Milestone Matrix. Nevertheless, it is still anticipated that the Project cost will exceed the FFGA budget.

It is anticipated that an updated Risk Refresh will be performed March 30, 2016.

2.9 Action Item Table

Item No.	Item	Responsible Party	Date Identified	Date Due	Date Completed	Status
1	Resolve HECO issue with Davis-Bacon requirements	HART/FTA	Mar-14	On-going		Open – HECO waiver is pending. HART provided MOU to PMOC.
2	Updates resulting from Risk Refresh:					
2a	Update the Contract Packaging Plan	HART	Aug-14	Dec-15		In progress – Draft provided to PMOC but changes may be incorporated on updated estimate and schedule
2b	Re-baseline Financial Plan	HART	Apr-14	TBD		Pending final update of budget and schedule
2c	Re-baseline budget	HART	Apr-14	TBD		In progress
2d	Re-baseline MPS	HART	Apr-14	TBD		HART to provide revised MPS update for review
2f	Update RCMP (including Hold Points and Secondary Mitigation Measures)	HART	Sept-13	TBD		HART to provide updated draft that reflects revised budget and schedule.
3	HART to provide target date for Federal Courthouse resolution/sign-off	HART	Sep-15	Feb-15		Target date is May 2016; PMOC will continue to track progress in meeting this target date.
4	HART to provide Operational Readiness Checklist/Hold Points for MSF Certification	HART	Jan-16	Jan-16	Feb-16	Complete

3.0 APPENDICES

Appendix A: Acronym List

AHJV	▪ Ansaldo Honolulu Joint Venture
AIS	▪ Archeological Inventory Survey
APS	▪ Adjusted Project Schedule
ARRA	▪ American Recovery and Reinvestment Act
ASG	▪ Airport Station Group
ATC	▪ Alternative Technical Concept
AUG	▪ Airport Utilities Group
AVI	▪ Automatic Vehicle Indication
AVL	▪ Automatic Vehicle Location
BCE	▪ Base Cost Estimate
BFMP	▪ Bus Fleet Management Plan
CCUG	▪ City Center Utilities Group
CE&I	▪ Construction Engineering and Inspection
CMP	▪ Construction Management Plan
CPM	▪ Critical Path Method
CPP	▪ Contract Packaging Plan
CROE	▪ Construction Right of Entry
CSC	▪ Core Systems Contract
CSSO	▪ Chief Safety and Security Officer
DAGS	▪ Department of Accounting & General Services
DB	▪ Design-Build
DBB	▪ Design-Bid-Build
DBOM	▪ Design-Build-Operate-Maintain
DCCA	▪ Department of Commerce and Consumer Affairs
DHHL	▪ Department of Hawaiian Home Lands
DLIR	▪ Department of Labor and Industrial Relations
DLNR	▪ Department of Land and Natural Resources
DOE	▪ Department of Education
DOT	▪ Department of Transportation
EAC	▪ Estimate at Completion
EIS	▪ Environmental Impact Statement
FD	▪ Final Design
FEIS	▪ Final Environmental Impact Statement
FFGA	▪ Full Funding Grant Agreement
FHSG	▪ Farrington Highway Station Group
FHWA	▪ Federal Highway Administration
FTA	▪ Federal Transit Administration
FY	▪ Fiscal Year
GEC	▪ General Engineering Consultant
GET	▪ General Excise Tax
GSA	▪ General Services Administration
HART	▪ Honolulu Authority for Rapid Transportation
HCC	▪ Honolulu Community College
HCDA	▪ Hawaii Community Development Authority
HDOT	▪ Hawaii Department of Transportation
HECO	▪ Hawaiian Electric Company
IFB	▪ Invitation to Bid
ITP	▪ Inspection Test Plans
JU&O	▪ Joint Use & Occupancy
KHG	▪ Kamehameha Highway Guideway
KHSG	▪ Kamehameha Highway Stations Group

KIWC	▪ Kiewit Infrastructure West Company
KKJV	▪ Kiewit Kobayashi Joint Venture
LCC	▪ Leeward Community College
LEED	▪ Leadership in Energy and Environmental Design (LEED)
MMP	▪ Mitigation Monitoring Program
MOA	▪ Memorandum of Agreement
MOT	▪ Maintenance of Traffic
MOW	▪ Maintenance of Way
MPS	▪ Master Project Schedule
MSF	▪ Maintenance and Storage Facility
NCR	▪ Non-Compliance Report
NEPA	▪ National Environmental Policy Act
NTP	▪ Notice to Proceed
OCCC	▪ Oahu Community Correctional Center
OCIP	▪ Owner Controlled Insurance Program
OP	▪ Oversight Procedure
PA	▪ Programmatic Agreement
PE	▪ Preliminary Engineering
PM	▪ Project Manager
PMC	▪ Project Management Consultant
PMOC	▪ Project Management Oversight Contractor
PMP	▪ Project Management Plan
PSG	▪ Platform Screen Gate
PW	▪ Project-wide
QA	▪ Quality Assurance
QAM	▪ Quality Assurance Manager
QAP	▪ Quality Assurance Plan
QMP	▪ Quality Management Plan
RAMP	▪ Real Estate Acquisition and Management Plan
RCMP	▪ Risk and Contingency Management Plan
RFMP	▪ Rail Fleet Management Plan
RFB	▪ Request for Bids
RFP	▪ Request for Proposals
RFQ	▪ Request for Qualifications
ROD	▪ Record of Decision
ROE	▪ Right of Entry
ROW	▪ Right of Way
RSD	▪ Revenue Service Date
SCC	▪ Standard Cost Category
SHPD	▪ State Historic Preservation Division
SOA	▪ State Oversight Agency
SS	▪ Safety and Security
SSCM	▪ Safety and Security Certification Manager
SSCP	▪ Safety and Security Certification Plan
SSMP	▪ Safety and Security Management Plan
SSPP	▪ System Safety Program Plan
SSSPS	▪ System Safety and Security Program Standards
TCC	▪ Technical Capacity and Capability
UH	▪ University of Hawaii
UPS	▪ Uninterruptible Power Supply
VE	▪ Value Engineering
WOFH	▪ West Oahu/Farrington Highway
WOSG	▪ West Oahu Stations Group
WSSG	▪ Westside Stations Group
YOE	▪ Year of Expenditure

Appendix B: Contract Status

Contract	Description	Contractor	Base Contract Value	Change Orders	Change Order %	Current Contract Value	Expended	% Exp.	DBE	Award Date	Compl. Date
MM-901	Program Management Support Consultant (PMSC-2)	HDR/InfraConsult LLC	\$33,376,897	Amendment No. 4d. 3/18/14		\$40,993,274	\$37,479,508	91.4%	0%	Mar 2012	Mar 2016
Notes/Issues:											
MM-910	General Engineering Consultant (GEC II)	Parsons Brinkerhoff	\$300,000,000				\$132,000,000		0%	Jun 2011	Pending
Notes/Issues: Contract closeout is pending.											
MM-913	General Engineering Consultant (GEC III)	CH2M Hill	\$46,143,277	\$268,451		\$46,411,728	\$23,982,916	51.3%	4.27%	Dec 2013	Mar 2019
Notes/Issues: <ul style="list-style-type: none"> None at this time 											
MM-290	Construction Engineering and Inspection (West)	PGH Wong Engineering, Inc.	\$54,232,480			\$54,232,480	\$20,135,729	37.1%	4.0%	Jan 2014	Jan 2020
Notes/Issues: <ul style="list-style-type: none"> None at this time. 											
MM-595	Construction Engineering and Inspection (East)	AECOM/URS Corporation	\$63,083,417	(\$47,826,417)		\$15,257,000	\$12,377,950	91.1%	10.36%	Jan 2014	Dec 2018
Notes/Issues: <ul style="list-style-type: none"> The new CE&I consultant for the East Section was issued NTP in September. The AECOM/URS team immediately began a transition that occurred through October 9, 2015. The AECOM/URS project closeout is ongoing. 											
MM-596	Construction Engineering and Inspection II (East)	Stantec Consulting Services Inc.	\$55,036,130			\$55,036,130				Sep 2015	Dec 2019
Notes/Issues: <ul style="list-style-type: none"> HART requested an Independent Cost Estimate (ICE) be performed on the Airport Guideway and Stations DB contract and the City Center Guideway and Stations DB contract. These ICE is anticipated to be completed in February 2016 and prior to the bids. 											
MM-962	Core System Contract Oversight Consultant	Lea + Elliott, Inc.	\$43,988,989			\$43,988,989	\$12,830,304	29.2%	0.70%	Feb 2014	Aug 2019
Notes/Issues: <ul style="list-style-type: none"> None at this time. 											
MM-945	On-Call Construction Contractor	Royal Contracting Co. Ltd	\$1,000,000	\$999,951	99.99%	\$1,999,951	\$1,922,968	96.1%	23%	Aug 2014	Jul 2019
Notes/Issues: <ul style="list-style-type: none"> None at this time. 											
DB-120	West Oahu/Farrington Highway DB	KIWC	\$482,924,000	\$149,250,758	31.0%	\$632,174,758	\$512,032,937	81.1%	1.41%	Nov 2009	Jul 2016

Contract	Description	Contractor	Base Contract Value	Change Orders	Change Order %	Current Contract Value	Expended	% Exp.	DBE	Award Date	Compl. Date
Notes/Issues:		<ul style="list-style-type: none"> Progress is lagging from the approved baseline schedule. KIWC has notified HART that a 6 month time extension beyond substantial completion is needed to complete work at LCC due to these impacts. HART is currently working with the contractor to mitigate delays and is evaluating the merit of KIWC's request for change to the substantial completion date. 									
DB-200	Maintenance and Storage Facility DB	Kiewit/Kobayashi JV	\$195,258,000	\$79,789,423	40.8%	\$275,047,423	\$239,428,393	85.5%	0.23%	Jun 2011	Apr 2016
Notes/Issues:		<ul style="list-style-type: none"> None at this time. 									
DB-320	Kamehameha Highway Guideway DB	KIWC	\$372,150,000	\$16,817,876	4.3%	\$388,967,876	\$198,133,217	49.7%	0.08%	Jun 2011	Sep 2016
Notes/Issues:		<ul style="list-style-type: none"> Contract is approximately 12 months behind schedule. KIWC submitted revised schedule in September 2015 via RFC, re-sequencing the guideway and road work. The schedule is currently being reviewed by HART. The revised schedule shows the guideway structure forecasted to be complete in April 2017 with completion of the roadway civil construction and the overall project in September 2017. 									
DBOM-920	Core Systems Contract	Ansald/Honolulu JV	\$573,782,793	\$24,780,894	4.3%	\$598,563,687	\$168,956,392	28.4%	0.029%	Nov 2011	Mar 2019
Notes/Issues:		<ul style="list-style-type: none"> AHJV revised their baseline contract schedule, and it has been approved. However, re-procurement of Westside Stations Group and use of DB for the eastside guideway and stations will result in another revision to CSC schedule. Revisions to the station and guideway Construction Access Milestone (CAM) dates might affect substantial completion of the AHJV work. HART anticipates that AHJV will submit a change request for extended overhead and escalation due to delay as a result. HART wants to ensure that they provide AHJV with milestone dates for their schedule update that should not change. Hitachi, LTD completed its acquisition of Ansald Breda and Ansald STS on November 2, 2015. HART met with Hitachi representatives and was told that there would be no immediate changes in management or staffing of AHJV. 									
MI-930	Elevators and Escalators Install & Maintain	Schindler Elevator Corporation	\$50,982,714	\$0	0%	\$50,982,714	\$5,066,456	9.9%	0%	May 2013	Jul 2018
Notes/Issues:		<ul style="list-style-type: none"> None at this time. 									
FD-140	West Oahu Station Group Construction FD	URS, Inc.	\$7,789,000	\$2,825,305	36.2%	\$10,014,305	\$9,093,096	91.7%	0%	Jun 2012	Dec 2016
Notes/Issues:		<ul style="list-style-type: none"> None at this time. 									
FD-240	Farrington Highway Station Group FD	HDR, Inc. / URS	\$9,300,696	\$5,017,093	54%	\$14,198,045	\$12,546,293	89.4%	4.7%	Jan 2011	Dec 2016
Notes/Issues:		<ul style="list-style-type: none"> Revised engineer's estimate exceeds the FFGA budget. 									

Contract	Description	Contractor	Base Contract Value	Change Orders	Change Order %	Current Contract Value	Expended	% Exp.	DBE	Award Date	Compl. Date
FD-340	Kamehameha Highway Station Group Construction FD	Anil Verma, Inc.	\$8,702,592	\$1,199,698	12.2%	\$9,859,290	\$9,177,277	93.1%	43.9%	Nov 2012	Dec 2016
Notes/Issues:		<ul style="list-style-type: none"> Revised engineer's estimate exceeds the FFGA budget. 									
FD-430	Airport Section Guideway and Utilities FD	AECOM	\$38,840,960	\$4,293,512	11.0%	\$43,134,472	\$41,447,161	96.1%	0.42%	Dec 2011	Jun 2017
Notes/Issues:		<ul style="list-style-type: none"> Airport Guideway was combined with Airport Stations into a DB Contract. Revised engineer's estimate exceeds the FFGA budget. 									
FD-440	Airport Station Group Construction FD	AECOM	\$10,177,365	\$1,416,487	14.88%	\$11,573,852	\$9,801,978	84.7%	2.31%	Nov 2012	Jul 2017
Notes/Issues:		<ul style="list-style-type: none"> Airport Guideway was combined with Airport Stations into a DB Contract. Revised engineer's estimate exceeds the FFGA budget. 									
FD-530	City Center Section Guideway and Utilities FD	AECOM	\$43,948,220	\$1,296,842	2.9%	\$46,197,562	\$40,908,953	88.6%	0.44%	Jul 2012	May 2018
Notes/Issues:		<ul style="list-style-type: none"> City Center Guideway was combined with Dillingham and Kaka'ako Stations into a DB Contract. Revised engineer's estimate exceeds the FFGA budget. The PMOC strongly recommended that HART not issue NTP for this contract unless the HECO clearance issues are resolved. 									
FD-550	Dillingham and Kaka'ako Station Group Construction FD	Perkins & Will	\$18,321,918	\$1,046,743	5.71%	\$19,308,042	\$11,875,668	66.2%	0%	Jun 2013	Jul 2018
Notes/Issues:		<ul style="list-style-type: none"> City Center Guideway was combined with Dillingham and Kaka'ako Stations into a DB Contract. Revised engineer's estimate exceeds the FFGA budget. 									
DBB-505	Airport Section Utilities Construction	Nan	\$28,413,973	\$0	0%	\$28,413,973	\$8,930,361	31.4%	0.12%	Jul 2014	Jun 2016
Notes/Issues:		<ul style="list-style-type: none"> The contract is approximately seven months behind schedule. The delay is due to issues with Navy right of entry (ROE) for construction. 									
DBB-525	Airport Section Guideway Seven Pier Construction	HDCC/CJA JV	\$3,973,000	\$508,241	12.7%	\$4,481,241	\$3,889,433	86.8%	0%	Sep 2014	Feb 2015
Notes/Issues:		<ul style="list-style-type: none"> Construction is complete. Closeout is ongoing. 									

Contract	Description	Contractor	Base Contract Value	Change Orders	Change Order %	Current Contract Value	Expended	% Exp.	DBE	Award Date	Compl. Date
DBB-271	Farrington Highway Station Group Construction	Hawaiian Dredging Construction Company, Inc.	\$78,999,000	\$0	0%	\$78,999,000	\$0	0%	0%	Aug 2015	Sep 2017
Notes/Issues		▪ None at this time.									
DBB-385	Ramp H2R2	Royal Contracting Co. Ltd	\$5,203,646	\$0	0%	\$5,203,646	\$0	0%	0%	May 2015	Jun 2016
Notes/Issues		▪ None at this time.									
DBB-171	West Oahu Station Group Construction	Nan, Inc.	\$56,088,470	\$0	0%	\$56,088,470	\$0	0%	0%	Oct 2015	Mar 2019
Notes/Issues:		▪ None at this time									

Appendix C: PMOC Team

Name	Position	Background
Tim Mantych, PE	Program Manager	Overall responsibility for the Jacobs PMO program. He has spent 16 years in key management roles on the PMO program, including Program Manager and Task Order Manager, effectively managing oversight services for major capital projects in Regions V and IX.
Bill Tsiforas	Task Order Manager	Responsible for oversight of this task order. He has over 25 years of experience and has served as Task Order Manager and as a systems integration manager in the PMO Program since 2008. His project management experience covers a wide range of transit projects including BRT, monorail, streetcar, light rail, and heavy rail systems. In rail projects and other transportation modes, he has experience in management of project planning, engineering, and architecture service contract, engineering design, and construction management.
Keith Konradi, PE	Civil Engineer	Has extensive over 40 years of experience as a civil engineer and trackwork expert who can provide informed reviews of all issues regarding the design and construction of civil, railroad, and transit. He has specialized in railroad and transit projects, designing new alignments, realignments, profiles, yard, and maintenance facility layouts, connections, and interlockings.
Charles Neathery	Construction Management Manager	Responsible for oversight of construction management activities and project scheduling. He has served on the PMO Program since 1995 in various key positions: Deputy Program Manager, Task Order Manager, Construction Manager, Risk Manager, and Technical Specialist. His heavy civil construction background as a construction contractor Project Manager and as Program and Controls Director combines experience on both sides of the industry as a builder and a manager.
Tim Morris	Cost Estimating Manager	Responsible for oversight of cost estimating and cost control. He brings 34 years of experience in cost estimating. His background includes: construction and project management of heavy civil projects; cost estimating; field engineering; scheduling; project controls; change order negotiations; and procurement.
Brian Carpenter	Project Scheduling Manager	Responsible for oversight of project scheduling. Has over 25 years of experience project controls including schedule development and management. Well versed with following: Primavera Project Planner (P3), Primavera 7.0, Suretrak, M.S. Project, Schedule Analyzer, Claim Digger, Private Investigator, and PertMaster (Monte Carlo Risk Analyzer), as well as document management tools: Prolog, ProjectWise, and Contract Manager (Expedition).
Dorothy Schulz, PhD	Systems Safety Manager	Responsible for oversight of safety and security activities. She has been Director of Transit Security Practice at Interactive Elements for more than 20 years. She performs safety and security studies and oversights for various agencies. She also performs FTA State Oversight Agency (SOA) audits as well as Safety and Security Readiness Reviews (SSRRs). Dr. Schulz has written and/or reviewed numerous TVAs, PHAs, SSPPs, and SSPs; all require comprehensive understanding of the 882C Standard.
Arun Virginkar	Rail Equipment Engineer	Responsible for oversight of rail vehicle engineering and Buy America compliance. He has been involved with the PMOC Program since 1994. He has experience in contract management, vehicle and systems equipment engineering, operations and maintenance planning, system integration and testing, safety certification plans, and quality and system assurance. He also has specialized experience in Buy America Pre-Award and Post-Delivery audits of car builders.
Bob Merryman	Real Estate Manager	Responsible for oversight of real estate activities on the project. He has 35 years of practical experience in the implementation of the Uniform Act in federally funded projects. In addition, he has written three text books used by FHWA, as well as the one additional course text used by the FTA discussing the implementation of the Uniform Act. He also served as lead investigator on the business retrospective study for the Federal Highway Administration. The information gleaned from this investigation was to develop the most recent revisions to 49 CFR Part 24.

David Sillars, PhD	Risk Assessment Manager	Responsible for oversight of the risk management activities for the project. He has over 35 years of experience in risk and management consulting and transportation research. He assisted FTA with editing and developing the updated MAP-21 Risk and Contingency Management Oversight Procedure (OP 40) and updated FTA risk workbook. He has co-developed and delivered the New Starts risk management training program for the National Transit Institute on behalf of the FTA.
David Nelson	Transit Operations Manager	Responsible for oversight of the transit operations planning for the project Has more than 30 years of experience with in-depth, working knowledge of North American public transportation agencies. Was previously assistant director and project manager of planning and manager of transit applications for the Massachusetts Bay Transportation Authority and the manager of planning and administration for the Boston & Maine Railroad.

Appendix D: Project Overview and Map (Transmitted as a separate file)

Appendix E: Safety and Security Checklist (Transmitted as a separate file)

Appendix D: Project Overview and Map

Date: February 2016
Project Name: Honolulu Rail Transit Project
Grantee: City and County of Honolulu
FTA Regional contact: Catherine Luu
FTA HQ contact: Kim Nguyen

SCOPE

Description The proposed Project is an approximately 20-mile rail alignment extending from East Kapolei to Ala Moana Center.

Guideway The majority of the Project is to be built on aerial structure, but the Project also includes a short at-grade section (0.6 miles).

Stations 21 stations (20 aerial and 1 at-grade)

Support Facility Maintenance and Storage Facility (located near Leeward Community College)

Vehicles 80 light metro rail

Ridership 104,300 weekday boardings in 2019; 119,600 weekday boardings in 2030

SCHEDULE

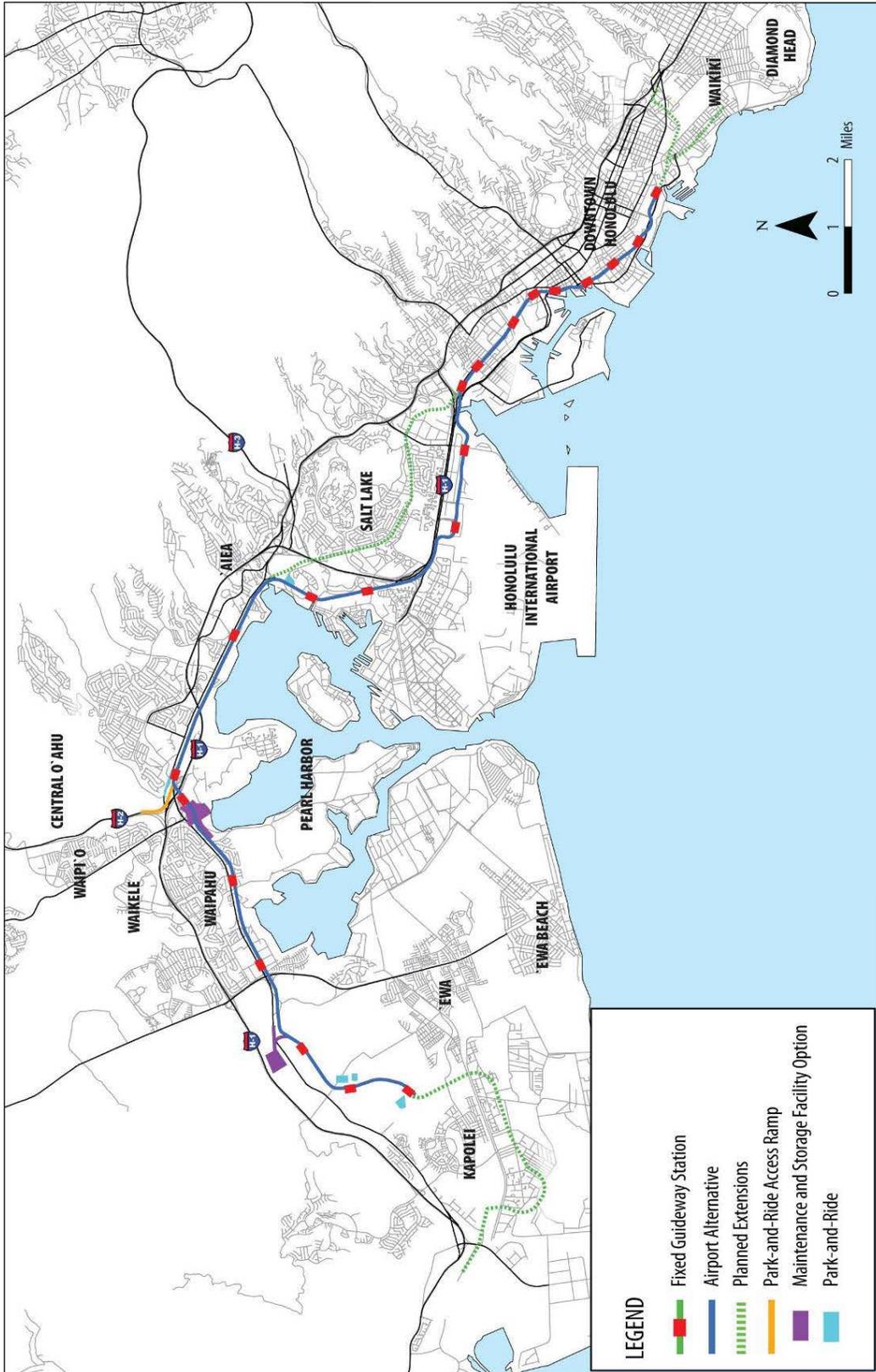
10/09 Approval Entry to PE	03/19 Estimated RSD at Entry to PE
12/11 Approval Entry to FD	03/19 Estimated RSD at Entry to FD
06/12 Request for FFGA	03/19 Estimated RSD at Request for FFGA
12/12 FFGA	01/20 RSD at FFGA

COST

\$5.348 B Total Project Cost (\$YOE) at Approval Entry to PE
\$5.126 B Total Project Cost (\$YOE) at Approval Entry to FD
\$5.122 B Total Project Cost (\$YOE) at request for an FFGA
\$5.122 B Total Project Cost (\$YOE) at FFGA

\$1.883B Amount of Expenditures at date of this report
43.0% complete (Total Project Expenditures/Total Project Cost)

Honolulu Rail Transit Project Map



Appendix E: Safety and Security Checklist

Project Overview			
Project Name	Honolulu Rail Transit Project		
Project mode (Rail, Bus, BRT, Multimode)	Rail		
Project phase (Preliminary Engineering, Final Design, Construction, or Start-up)	FD		
Project Delivery Method (Design/Build, Design/Build/Operate Maintain, CMGC, etc.)	DB, DBB and DBOM		
Project Plans	Version	Review by FTA	Status
Safety and Security Management Plan	5	Y	Complete
Safety and Security Certification Plan	4	Y	Complete
System Safety Program Plan			Submittal date Mar-13
System Security Plan or Security and Emergency Preparedness Plan (SSEPP)		N	TBD
Construction Safety and Security Plan	3	Jun-11	Completed Oct 2015
Safety and Security Authority	Y/N		Status
Is the grantee subject to 49 CFR Part 659 state safety oversight requirements?	Y		
Has the state designated an oversight agency as per Part 659.9	Y		Executive Order 10-04 effective April 6, 2010
Has the oversight agency reviewed and approved the grantee's SSPP as per Part 659.17?	N		Submission/Approval in 2013
Has the oversight agency reviewed and approved the grantee's Security Plan or SEPP as per Part 659.21?	N		Submission/Approval in 2013
Did the oversight agency participate in the last Quarterly Program Review Meeting?	Y		April 16, 2014
Has the grantee submitted its safety certification plan to the oversight agency?	Y		SOA information
Has the grantee implemented security directives issues by the Department Homeland Security, Transportation Security Administration?	N		None issued to date
SSMP Monitoring			
Is the SSMP project-specific, clearly demonstrating the scope of safety and security activities for this project?	Y		
Grantee reviews the SSMP and related project plans to determine if updates are necessary?	Y		
Does the grantee implement a process through which the Designated Function (DF) for Safety and DF for Security are integrated into the overall project management team? Please specify.	Y		
Does the grantee maintain a regularly scheduled report on the status of safety and security activities?	Y		Reported Monthly
Has the grantee established staffing requirements, procedures and authority for safety and security activities throughout all project phases?	Y		
Does the grantee update the safety and security responsibility matrix/organization chart as necessary?	Y		
Has the grantee allocated sufficient resources to oversee or carry out safety and security activities?	Y		
Has the grantee developed hazard and vulnerability analysis techniques, including specific types of analysis to be performed during different project phases?	Y		

Does the grantee implement regularly scheduled meetings to track to resolution any identified hazards and/or vulnerabilities?	Y	
Does the grantee monitor the progress of safety and security activities throughout all project phases? Please describe briefly.	Y	
Does the grantee ensure the conduct of preliminary hazard and vulnerability analyses? Please specify analyses conducted.	Y	
Has the grantee ensured the development of safety design criteria?	Y	
Has the grantee ensured the development of security design criteria?	Y	
Has the grantee verified conformance with the safety and security requirements in the design?	N	Will be done during FD/Construction
Has the grantee identified conformance with safety and security requirements in equipment and materials procurement?	N	Will be done during FD/Construction
Has the grantee verified construction specification conformance?	N	Will be done during construction
Has the grantee identified safety and security critical tests to be performed prior to passenger operations?	N	Will be done during Rail Activation phase
Has the grantee verified conformance with safety and security requirements during testing, inspection and start up phases?	N	Will be done during Rail Activation phase
Does the grantee evaluate change orders, design waivers, or test variances for potential hazards and/or vulnerabilities?	N	Will be done during FD/Construction
Has the grantee ensured the performance of safety and security analyses for proposed work-arounds?	N	Will be done during Rail Activation phase
Has the grantee demonstrated through meetings or other methods, the integration of safety and security in the following: <ul style="list-style-type: none"> • Activation Plan and Procedures • Integrated Test Plan and Procedures • Operations and Maintenance Plan • Emergency Operations Plan 	N	Will be done during Rail Activation phase
Has the grantee issued final safety and security certification?	N	Will be done after completion of Rail Activation phase
Has the grantee issued the final safety and security verification report?	N	Will be done during Rail Activation phase
Construction Safety		
Does the grantee have a documented/implementation Contractor Safety Program with which it expects contractors to comply?	Y	CSP development is included in construction contracts
Does the grantee's contractor(s) have a documented company-wide safety and security program plan?	TBD	Is a requirement of CSSP
Does the grantee's contractor(s) have a site-specific safety and security program plan?	TBD	Is a requirement of CSSP
Provide the grantee's OSHA statistics compared to the national average for the same type of work?	TBD	None developed yet
If the comparison is not favorable, what actions are being taken by the grantee to improve its safety record?	TBD	None developed yet
Does the grantee conduct site audits of the contractor's performance versus required safety/security procedures?	Y	Audit required in CSSP

Federal Railroad Administration		
If the shared track: has the grantee submitted its waiver request application to FRA? (Please identify any specific regulations for which waivers are being requested)	NA	
If the shared corridor: has grantee specified specific measures to address shared corridor safety concerns?	NA	
Is the Collision Hazard Analysis underway?	NA	
Other FRA required Hazard Analysis – fencing, etc?	NA	
Does the project have Quiet Zones?	NA	
Does FRA attend Quarterly Review Meetings?	NA	