

Star Advertiser

June 29, 2016

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How to make the best of Honolulu's rail fiasco

By Panos Prevedouros, Cliff Slater and Randall Roth

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Panos Prevedouros, left, chairs civil/environmental/ transportation engineering at the University of Hawaii-Manoa; Cliff Slater, center, is a Hawaii businessman; and Randall Roth is a law professor at UH-Manoa.

<http://www.staradvertiser.com/editorial/how-to-make-the-best-of-honolulu-rail-fiasco/>

It's now painfully clear, even to Mayor Kirk Caldwell, that the likely cost of taking rail all the way to Ala Moana Center would greatly exceed available funds.

That's why the new plan is to stop at Middle Street, eight stops short of Ala Moana, at least until an additional \$4 billion can be found.

Just weeks earlier, Caldwell and others were saying that it would make no sense to stop at Middle Street — rail needed to reach Ala Moana, at a minimum, or so they were saying before realizing that money simply wasn't there.

Because of the decision to stop at Middle Street, the Federal Transit Administration could legally require the city to return nearly \$0.5 billion already provided.

However, we believe the FTA will be extraordinarily flexible with this financial train wreck, partly because the FTA's own hands are dirty. It knew very early on that city officials were neither competent nor honest.

We base this on interagency email in which FTA officials commented on the city's "lousy practices of public manipulation," willingness to "deceive with no remorse," use of "inaccurate statements," and having a culture of "never enough time to do it right, but lots of time to do it over."

FTA officials also noted that the city had botched three projects and were "well on their way to a fourth," started construction this time "without authority despite warnings that it would create an ineligibility for the project," and put itself in a "pickle" by setting unrealistic start dates for construction.

We also know that FTA officials had the IMG report of independent experts hired by Gov. Linda Lingle to provide a second opinion on the likely cost of the proposed rail system.

The group's bottom-line assessment should have alarmed the FTA: "A multibillion-dollar transportation improvement project, particularly one that is proposed to be operated in, and funded by, an urbanized area that is far smaller than the norm for such projects, should have its financial plan developed with methodologies that incorporate the highest professional and technical standards and techniques. As we demonstrate [in this report], the financial planning and modeling process for [this] Project fails this 'best practices' test in many ways."

The FTA also aided the city in its dishonest efforts to convince people that rail would reduce the current level of traffic congestion.

For example, the FTA publicly expressed belief that "this project will bring much-needed relief from the suffocating congestion on the H-1 Freeway."

This was contrary to the FTA-approved final environmental impact statement in which the city had acknowledged that “traffic congestion will be worse in the future with rail than what it is today without rail.”

Despite these and many other indications that the city could never build rail “on time and on budget,” as Caldwell repeatedly promised, the FTA apparently buckled under political pressure when it entered into the Full Funding Grant Agreement.

Because of the FTA’s complicity in Honolulu’s rail fiasco, the FTA should now allow the city to use the \$1.55 billion of federal money to make the best of a terrible situation that it could and should have prevented.

We believe the most attractive of the available options is to convert the existing rail guideway into dedicated lanes for a Bus Rapid Transit (BRT) system that extends not just to Middle Street but far beyond to Manoa, Waikiki and other parts of the island, including Waianae. This could be done with the money that otherwise would be wasted on a rail system that was out-of-date before construction even began.

A BRT conversion would use familiar technology, have a higher ridership, preserve bus routes and provide more relief from traffic congestion than rail.

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- **FrankGenadio** says:
[June 29, 2016 at 1:02 am](#)

I agree with the authors on the probable complicity of the FTA in allowing the city to go this deep into a project with mounting financial problems. In fact, I believe that the U.S. House Transportation and Infrastructure Committee should conduct its own investigation of the O’ahu rail project. I disagree with the result of the lead-in, that bus rapid transit is the best solution for further use of federal funds. BRT does not at all meet the terms of the FFGA as written. Urban magnetic levitation (maglev) does meet the FFGA’s terms. Last week, Mayor Caldwell called for a public meeting on what to do now given the funding shortfall, but there has been no announcement for that meeting. If one is scheduled soon, I suggest that time be given for formal presentations on solutions. HART can present its solutions, perhaps Professor Prevedouros can present his BRT plan, and I can present a maglev solution. It should draw a sizable audience if it takes place for a full day on a Saturday in a proper venue such as the Mission Memorial Auditorium, the place where the rail project, in effect, “kicked off” in 2005.

- **kauai** says:

[June 29, 2016 at 2:01 am](#)

You (FrankGenadio) do provide an interesting alternative solution. Unfortunately, it would be substituting one system (steel-wheel-on-heavy-rail) of which the city has NO

experience and skills for operating and maintaining, for another system (MagLev) of which the city also has NO experience and skills for operating and maintaining. BRT will only require paving a roadway, of which the city DOES have experience and skills for constructing, operating, and maintaining; and running/operating buses, of which the city (actually the semi-independent entity/company) also DOES have experience and skills operating and maintaining. As an aside, and no malicious attitude intended, do you (FrankGenadio) have some kind of connection or relationship to the MagLev technology or companies/entities involved with building MagLev systems? (Merely a full-disclosure type of question)

- **FrankGenadio** says:

[June 29, 2016 at 2:49 am](#)

A fair question, so let me make a full disclosure. I receive ZERO salary from any maglev interest. If maglev were implemented here, my salary would remain at ZERO; however, I would anticipate less of an increase in my property taxes because maglev is much more cost-effective than steel wheels and its operations and maintenance costs would be much lower. My expenses, however, over the last 12 years have probably been in several thousands of dollars in gas, parking, paper, and printer ink as I first worked as a volunteer to help get rail started and later continued to go to council as well as public meetings as a constant critic of the technology selected and the overall handling of the rail project to date. You may find it hard to believe, but I continue to advocate for maglev solely because I believe that it is the best solution for the taxpayers and business and student commuters on O'ahu. With this, I will say Good Night.

- **Kalaheo1** says:

[June 29, 2016 at 2:25 am](#)

I'm not making excuses for the FTA (or maybe I am) but based on these emails and Peter Rogoff's legendary comments about the dangers of cities wanting to build shiny new buses (see Trains are expensive, paint is cheap) I would say left to it's own devices the FTA would have done everyone a favor and told Honolulu and Mufi Hannemann to take a hike.

Unfortunately, Senator Inouye was still capable of inordinate power and arm twisting, which he obviously applied rather forcefully to the FTA. With no one squeezing them like that now, I expect them to be both more responsible to the citizenry and less pliable to the demands our shady local politics and their PRP sponsors. I expect this is a much different FTA than 8 years ago.

- **allie** says:

[June 29, 2016 at 5:49 am](#)

agree..Inouye had a very mixed record. We are learning more and more of his secrets. He cost Hawaii and the nation a great deal. SA or some responsible party needs to investigate this entire mess and tell us really who did what and who benefited at the expense of the public.

- **DannoBoy** says:

[June 29, 2016 at 5:52 am](#)

You nailed it. We are choking on that last serving of badly cooked pork from our beloved one armed bandit.

- **allie** says:

[June 29, 2016 at 5:51 am](#)

The three writers are spot-on as we all know now. They tried to warn the public of this years ago. Mufi's (and the big boyz in town who benefited) hideous role in all of this will cost this City for decades to come. This nightmare is not over. All of Hawaii owes these three men a great debt of gratitude.

- **Winston** says:

[June 29, 2016 at 6:59 am](#)

Question: Why would a fixed guideway, of any kind, be better than a dedicated commuter bus pathway? With the latter, the guide could get people to final destination without changing transportation modes, a major drawback of any train system. During non-commute hours it could be used by individual cars.

So, why a fixed guideway?

- **allie** says:

[June 29, 2016 at 7:57 am](#)

agree with winston

- **enoughisenough** says:

[June 29, 2016 at 8:21 am](#)

Winston asks a good question. To some, the obvious answer is that his approach would require us to spend a fortune tearing down what we just spent a fortune to put up. But as David Johnson explained in a recent Star-Advertiser commentary, those are “sunk costs.” They should not drive this decision.

- **Kalaheo1** says:

[June 29, 2016 at 2:15 am](#)

Gentlemen,

Thank you for your efforts to halt this wholesale theft of public resources.

Could one of you possibly comment on the possibility of halting this awful project and redirecting our resources toward a solution that actually helps traffic weary commuters?

Mayor Caldwell and HART are still ignoring the costs of electrical infrastructure which makes me wonder what other “totally unexpected” bad news is lurking in the luxury high-rise offices of HART, and the expense of operations and maintenance of even a half-baked system to Middle Street is going to be crushing.

- **wondermn1** says:

[June 29, 2016 at 6:27 am](#)

Finally a voice or 3 of reason

- **xbt** says:

[June 29, 2016 at 5:31 am](#)

This was a predictable disaster from the start. Did anyone really believe that the State or City could build a multi-billion dollar rail system on time and on budget? And after it was built, did anyone believe it could run the operation in a cost effective manner? Less than half the island would use the rail, but the whole island has to pay for it? The excise tax increase would be temporary? Who believed that? It’s not only permanent, it will be increased substantially. Look for property taxes to increase as well as income taxes.

There should be criminal and civil penalties for our political leaders who take contributions from and serve the PRPs of the world. At the same time disregard the public interest. Our political leaders should be designated as “fiduciaries” and subject to the same “prudent man” rules. The people responsible for this mess which will be a huge burden on the middle class for decades, will go on their merry way, like Hanneman, Abercrombie, Inouye (deceased), Caldwell, et al. Even if they’re voted out of office, they’ll just pop up somewhere else and run again and probably get elected. Many are not politicians, but powerful insiders and special interests. How stupid are the people of Hawaii.

- **Mikehono** says:

[June 29, 2016 at 5:40 am](#)

These three men are crazy. They would forsake the existing rail line, the operations center, the rail cars and turn the guideway into a bus highway. Hahaha. That is so silly it is crazy. Thanks for the bad advice, guys.

- **allie** says:

[June 29, 2016 at 5:53 am](#)

The bus solution was and is feasible. We could all have saved billions. Cayetano was and is right about that.

- **DannoBoy** says:

[June 29, 2016 at 5:55 am](#)

IMAGINE WHAT ELSE WE CAN BUILD

Building the destructive rail line to Ala Moana would likely bring the total cost to over \$10 billion. Extending to UH Manoa... who knows?

Imagine what else can be built with that \$\$\$.

We can have the construction jobs, traffic relief and so much more.

For \$1 billion, we can fix UH Manoa's crumbling campus and make it shine, with expanded, affordable dorm capacity to energize student life and reduce the commuting and parking problems there.

For another \$billion, we can do the same for west-side public schools, so parents can avoid the daily commute to private schools and the \$20k each year just to give their kids a quality education.

For another \$billion, we can afford to beef up Central/West side hospitals, clinics and labs, so folks there have better access to care closer to home, and don't have to drive to urban Honolulu for advanced treatments, and good jobs.

For another \$billion, we can expand our fleet of buses, with highway smart-lanes reserved for them when needed.

For another \$billion, we can increase food security and Ag jobs by investing in diversified agriculture on the west side. Maybe move UH Ag College to UH West Oahu, and support Ag tourism – make the fertile central plain flourish again.

We can have all this for HALF the \$10 billion cost of rail to Ala Moana. Families can have more income, better healthcare, better public schools, a better university, a stronger farming sector, and less traffic.

And when these traffic mitigation projects are completed, we'll have \$billions left over to fix our roads, bridges, water and sewer lines, and to fix the rest of the public school repair backlog and the teacher shortage.

- **DannoBoy** says:

[June 29, 2016 at 6:11 am](#)

Mikehono is like the sucker in Vegas, who goes into the casino to wager \$20, but after he has pumped a quarter of his paycheck into a slot machine with no payoff, he keeps going telling himself "I've sunk so much into this thing to stop now. I have to get something to show for it." So, he feeds on the rest, and ends up with a small payoff that doesn't come close to his total cost. He is a fool for not quitting when he is behind and walking away from his initial (smaller) losses, rather than losing the whole thing. This guy isn't rich, and he no longer had his rich uncle to bail him out. How is he going to support his family? Come on Mike, don't think like a sucker.

- **BluesBreaker** says:

[June 29, 2016 at 7:14 am](#)

No wonder Panos got low marks from UH students on "Rate Your Professor" He is driven by Libertarian political beliefs, not sound transportation policy evaluation. And the proposed solution shows that he doesn't understand transportation systems at all, even though he has some credentials as a traffic engineer (i.e., car planning). Clif and Panos love cars and hate mass transit. They would like to do away with public transit and keep the old rubber tires on asphalt/suburban sprawl paradigm going as long as possible. Thinking like this is why we have some of the worst traffic in the nation. And by the way, the design specifications of the guideway would not accommodate buses and even if they did, where would they go? Adding more vehicles to a system that's already overwhelmed with congestion is lunacy.

- **allie** says:

[June 29, 2016 at 7:59 am](#)

Panos' student evals. have nothing to do with his views or proposals hon. Panos has great expertise and, sadly, everything he predicted has come true.

- **kahaluu96744** says:

[June 29, 2016 at 7:06 am](#)

We should learn from Puerto Rico's Tren Urbano rail project. Over budget, construction delays, and low ridership even with free rides for a while. Fares now are \$1.50 per trip with 40,000 average ridership (versus the 110,000 projected for 2010), and we don't even know how much our fares would be. Isn't our ridership projected to be 110,000 per day? Get real! We are in a hole; stop digging!

- **Keolu** says:

[June 29, 2016 at 7:22 am](#)

I say tear it down and use any leftover and future money to undertake measures that actually reduce traffic. Many of which can be done quickly and cheaper than rail. Even synchronizing traffic lights would be a piece of cake compared to heavy steel on steel rail.

- **SHOPOHOLIC** says:

[June 29, 2016 at 7:48 am](#)

Krook Cadwell's new campaign motto: "DECEIVE WITH NO REMORSE"

- **Pattyjane** says:

[June 29, 2016 at 8:05 am](#)

Yes, this seems a far preferable solution, eliminating elaborate stations. If Charles Djou is onboard, it could be a winning mayor.