

OFFICE OF THE CITY AUDITOR
City and County of Honolulu
State of Hawai'i

Audit of the Funds Appropriated for Bicycle Projects



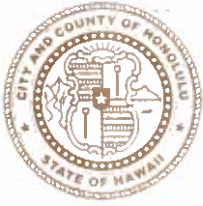
Audit of the Funds Appropriated for Bicycle Projects

A Report to the
Mayor
and the
City Council
of Honolulu

Submitted by

THE CITY AUDITOR
CITY AND COUNTY
OF HONOLULU
STATE OF HAWAII

Report No. 15-03
April 2015



**OFFICE OF THE CITY AUDITOR
CITY AND COUNTY OF HONOLULU**

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EDWIN S.W. YOUNG
CITY AUDITOR

April 10, 2015

The Honorable Ernest Y. Martin, Chair
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawai'i 96813

Dear Council Chair Martin:

A copy of our final report on the *Audit of the Funds Appropriated for Bicycle Projects* is attached. This review was requested by the Honolulu City Council in Resolution 10-297 which requested an audit of the funds appropriated for bicycle projects. The audit objective was to determine why bike funding lapsed at such a high rate and received low priority. The audit sub-objectives were to: (1) evaluate the administration of the city's bike program; (2) evaluate and assess the adequacy of the controls used to manage the bike project funds; and (3) determine why bike project funds were lapsing. This audit was performed in accordance with generally accepted government auditing standards from December 2013 to March 2015.

Background

Prior to January 2013, previous administrations and the Department of Transportation Services (DTS) placed a low priority on completing bike projects. Since January 2013, the new mayor made making Honolulu a bike-friendly city a priority and the new DTS Director initiated several projects and programs to make Honolulu a bike-friendly city. The current DTS Director has accomplished more than his predecessor in advancing the goals and objectives of the O'ahu Bike Plan. As a result, bike pathways and new bike projects are visible throughout the city.

The report lists the 17 projects and initiatives that were either started or reported complete since January 2013. Other post-January 2013 initiatives included advocating bike-friendly programs among city residents and community groups; establishing complete street working groups; coordinating with city departments and community groups to design and complete the Waiialae Avenue bike paths; and ensuring the construction and completion of the King Street Cycle Track. Additional initiatives included applying for federal grants for 8 other cycle track projects in the city; introducing bikeshare initiatives; and improving the bike network, rail-bike connections, and bicycle infrastructure. DTS also drafted an age-friendly city plan that includes bike-friendly initiatives; incorporated bike-friendly designs into the complete streets program; and promulgated the draft Honolulu Complete Streets Design Manual.

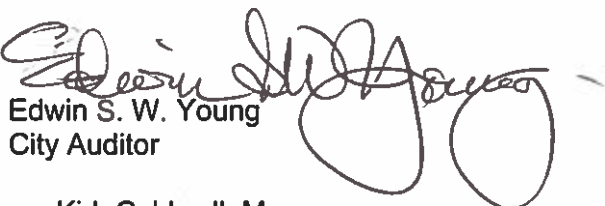
Audit Sample Results

For the audit, we sampled 32 bike projects throughout the city. Our review identified several opportunities for improving the administration and management of the bike program. The 32 bike related projects from both before and after January 2013 showed the need to:

- *Formal policies and procedures:* Establish formal, written policies, procedures, terminology, and definitions for the bike program to facilitate communications, coordination, administration, and implementation of the city bike plan, projects, and program. The formal policies and procedures should provide DTS or an oversight body the authority, as well as the responsibility, to oversee, coordinate, monitor, and manage all bike projects among all city departments; and negotiate memoranda of agreements with state and city entities for the implementation of bike related projects identified in the O`ahu Bike Plan and related to the city complete streets ordinance. As appropriate, the city charter commission should consider amending the city charter to institutionalize the policies and procedures related to the bike projects.
- *Project and funding data:* Maintain complete, consistent, accurate and reliable bike project and funding data for all bike projects, and ensure bike project and funding data are readily available among project managers throughout the city, particularly those involved in bike projects.
- *Lapsed funding:* Better manage funds and federal grants for bike projects so the use of the funds are used in a timely manner to attain the bike program goals, objectives, and priorities. As of December 2014, we identified over \$3.64 million in bike related funds, grants, and appropriations that had lapsed or were at risk of lapsing. Prior to January 2013, over \$3.2 million in city and federal funds lapsed. After January 2013, over \$353,800 in bike funds lapsed. If the city funds continue to lapse and federal funds are de-obligated, the loss will adversely affect DTS and the city's ability to achieve the goals, objectives, and priorities itemized in the O`ahu Bike Plan and the city charter priority for a pedestrian and bicycle-friendly city. The city's external auditors reported the administration of federal funds was a material weakness in the city internal controls. The external auditor also recommended that the city review its grant agreements to identify all program requirements and implement procedures to ensure compliance with the federal requirements.

We express our appreciation for the cooperation and assistance provided to us by the managers and staff of DTS, the Department of Design and Construction, the Department of Budget and Fiscal Services, and the many others who assisted us during this review. We are available to meet with you and your staff to discuss the review results and to provide more information. If you have any questions regarding the audit report please call me at 768-3134.

Sincerely,


Edwin S. W. Young
City Auditor

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Roy Amemiya, Managing Director
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Chapter 1

Introduction and Background

Introduction

This audit was conducted pursuant to Resolution 10-297 which requested an audit of the funds appropriated for bicycle projects. The audit objective was to determine why funding lapsed at such a high rate and received low priority. The resolution also urged the city administration to recommit the city to help Honolulu become a bicycle-friendly city, and to ensure that all current and future funding for bicycle projects help further this goal.

Background

The island of O`ahu has approximately 132 miles of on- and off-road bikeway facilities, including city, state, federal, and private bikeways. In 1999, the Honolulu City Council adopted Resolution 99-252 CD1 that implemented the Honolulu Bicycle Master Plan for bicycle planning. In 2006, an amendment to the city charter (Section 6-1706, Pedestrian and Bicycle Friendly City) stated that:

...one of the priorities of the department of transportation services is to make Honolulu a pedestrian and bicycle-friendly city.

Making Honolulu a bike-friendly city was also one of the mayor's top priorities for fiscal year 2014.

Master bike plan

In August, 2012, the Department of Transportation Services (DTS) issued a comprehensive bicycle master plan, *O`ahu Bike Plan*, which provided guidance for DTS bikeway planning for the entire island of O`ahu. The plan included provisions to ensure that the rail transit stations were integrated into the regional bikeway network and built on the DTS 1999 bicycle master plan for Honolulu.

The comprehensive plan was considered vital to achieving the objective of establishing a bicycle-friendly island. The plan contained a vision, goals, measurable objectives, and benchmarks for gauging the progress in implementing the bike plan. The plan stated strong policies and programs were essential to making city roads safe and accessible to bikes. The plan further included

a strategy for integrating bicycling into the city transportation system, and:

- Called for an additional 559 miles of facilities to be built over the next 20 to 30 years at a cost of about \$68 million, and
- Included a short-range implementation plan for city projects to be constructed between 2012 through 2017 at a cost of about \$2.7 million.

Maps of the planned bikeways are shown in Appendix 3. The maps and plan identified physical bikeway projects that were needed to create O`ahu's future bikeway network, related costs, and specific benchmarks for measuring progress in achieving the long-term vision for a bicycle-friendly O`ahu.

Complete streets ordinance

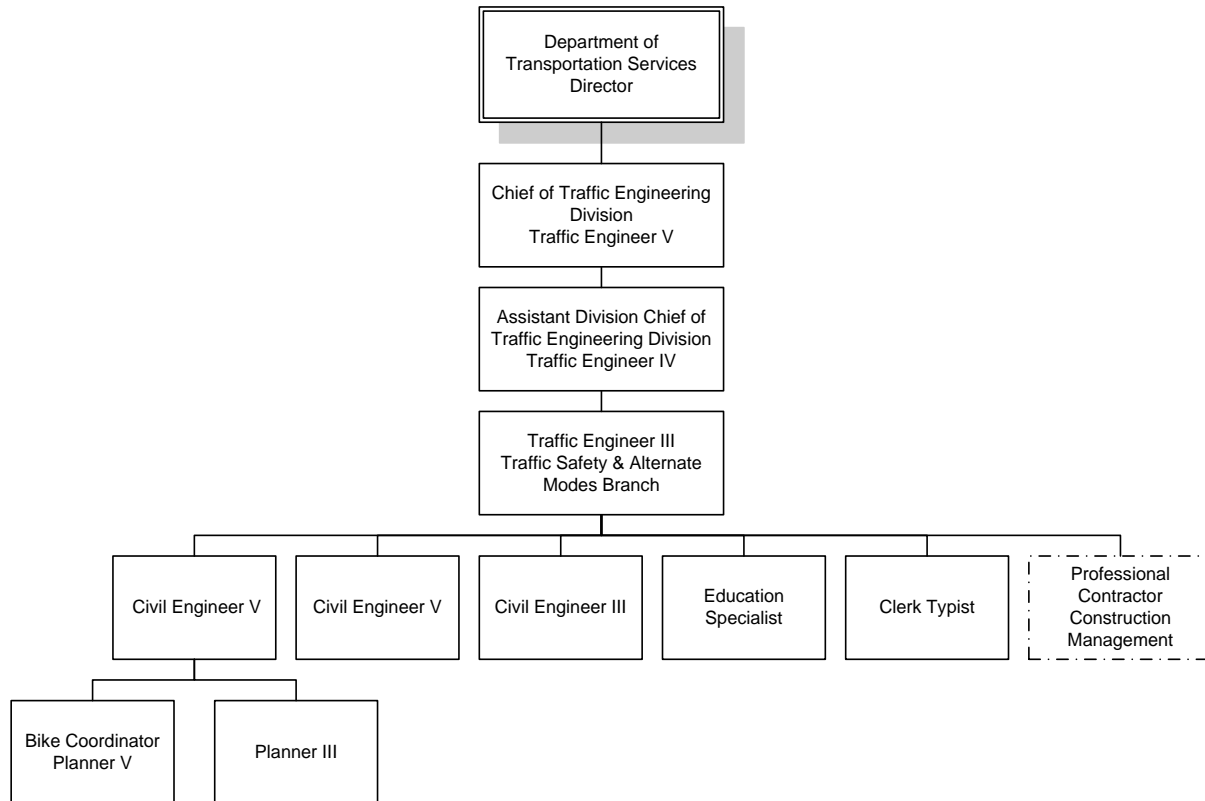
In May 2012, the Mayor signed into law Bill 26 that established a *Complete Streets* policy to improve transportation safety and accessibility for all users, including bicyclists, pedestrians, transit riders, and motorists. The policy required a multi-modal approach in the planning, design, construction, maintenance and operation of transportation facilities and projects. Under the bill, planned facilities or projects must incorporate the O`ahu Bike Plan recommendations.

Department of Transportation Services (DTS)

The Revised Charter of Honolulu, Section 6-17, provided the Director of the Department of Transportation Services the duties and functions for making the city more pedestrian- and bicycle-friendly. Based on the O`ahu Bike Plan, DTS has responsibility for implementing city bike plans, programs, and projects throughout the city, including bike related projects of the Department of Facility Maintenance (DFM) and Department of Design and Construction (DDC) .

The DTS Traffic Engineering Division's Traffic Safety and Alternate Modes Branch is responsible for the city's bike program. The branch is comprised of eight employees and a professional contractor¹ who is responsible for overseeing bicycle projects, federal funded projects, and construction managers for other projects. The organizational chart for the DTS Traffic Safety and Alternate Modes Branch is shown below.

¹ The professional contractor, called a "secunded" employee, is defined as the separation of a person from their regular organization for temporary assignment elsewhere.

Exhibit 1.1**Traffic Safety and Alternate Modes Branch Organization Chart (as of December 2014)**

Source: Department of Transportation Services and Office of the City Auditor

Other departments involved in bike projects

Besides DTS, other city departments are involved with bike projects. These include:

- **Department of Design and Construction.** DDC is the central agency for administering the city's capital improvement program (CIP). It directs and performs planning, engineering, design, and construction of public projects such as buildings and streets.
- **Department of Facilities Maintenance.** DFM plans and administers repair, renovation and maintenance programs for roads, bridges, city buildings, and parking facilities.
- **Department of Planning and Permitting (DPP).** DPP is responsible for the city's long-range and community planning efforts, issues and enforces permits required for

development projects, and enforces city standards and requirements for infrastructures.

Bike projects initiated and developed by these departments may not involve DTS in the planning, design, construction, maintenance and operation of the project. According to DTS staff, each department is responsible for independently complying with the complete streets ordinance and the O`ahu Bike Plan. Independent of DTS, each department is also responsible for determining which, if any, bike project should be included in the project. The DTS director states the DTS role is to be an advocate for bike projects among these departments.

Bike project funding

The main sources of funds for bicycle projects include the city Bikeway Fund (Fund 140), the city Highway Improvement Bond Fund (Fund 620), and Federal Grants Capital Projects Fund (Fund 630).

- The city Bikeway Fund (Fund 140) is comprised of bicycle and moped registration fees, transfer fees, penalties, fines, and charges for duplicate tags and certificates of registration. These monies are earmarked for the operation, acquisition, and other costs related to bikeways. Funds appropriated each fiscal year that are unused, automatically revert (lapse) back into the Bikeway Fund.
- The city Highway Improvement Bond Fund (Fund 620) contains the proceeds from general obligation bonds issued to pay for highway capital projects and related bike improvements. If the funds are not used by the end of the fiscal year, they lapse.
- The Federal Grants Capital Projects Fund (Fund 630) are monies received from sources such as the federal government in the form of grants, entitlements, shared revenues or payments in lieu of taxes, and city monies appropriated for capital projects transferred into this fund. The funds, particularly federal grant funds, must be expended for the purposes received or appropriated. For federal grants, the city receives funds through a reimbursement process. For bike projects that include federal funds, federal funds accounts for 80% of the total funds and city funds account for 20% of the total funds. DTS may lose federal funds if: funds are not used within its specified period of time; reimbursement requests are untimely; funds become inactive; or if funds obligated for completed projects are not re-obligated to new projects.

Federal funds are distributed through the State of Hawai'i Department of Transportation (HDOT) to sub-recipients such as the City and County of Honolulu.

From FY 2006 through 2014, funds appropriated for city bike projects totaled \$9.33 million. This amount included funding from the Bikeway Fund (\$2.92 million), Highway Improvement Bond Fund (\$2.25 million), and Federal Grants Capital Projects Fund (\$4.16 million). If the funds lapse, the city may lose the opportunity to use the funds for the bike projects identified in the city's capital improvement budgets and the O'ahu Bike Plan.

Exhibit 1.2
Funds Appropriated for Bicycle Projects by Fiscal Year and Fund (FY 2006 to FY 2014)

<i>Fiscal Year (FY)</i>	<i>Bikeway Fund (140)</i>	<i>Highway Improvement Bond Fund (620)</i>	<i>Federal Grants Capital Projects Fund (630)</i>	<i>Total</i>
2006	\$447,000	-	-	\$447,000
2007	-	-	-	\$0
2008	\$700,000	\$300,000	-	\$1,000,000
2009	-	\$1,001,000	-	\$1,001,000
2010	\$300,000	\$850,000	-	\$1,150,000
2011	\$600,000	\$100,000	\$1,556,000	\$2,256,000
2012	\$200,000	-	\$880,800	\$1,080,800
2013	\$342,000	-	\$1,001,600	\$1,343,600
2014	\$334,000	-	\$720,000	\$1,054,000
Total	\$2,923,000	\$2,251,000	\$4,158,400	\$9,332,400

Source: Office of the City Auditor

Audit Objectives, Scope, and Methodology

City Council Resolution 10-297 requested an audit of the funds appropriated for bicycle projects. The audit objective was to determine why such funding lapses at such a high rate and receives low priority. The audit sub-objectives were to: (1) evaluate the administration of the city's bike program; (2) evaluate and assess the adequacy of the controls used to manage the bike project funds; and (3) determine why bike project funds are lapsing.

For the audit, we reviewed the city charter, city ordinances, city policies and procedures, and city plans related to the bike projects

and plans. We reviewed the 1999 Honolulu Bicycle Master Plan; the 2012 O`ahu Bike Plan; identified and prioritized bike projects; reviewed updated bike plans and reports; and conducted site visits to bike facilities.

At the Department of Transportation Services, we reviewed DTS policies and procedures, examined DTS plans and progress reports related to the bike projects and plans; discussed the 1999 Honolulu Bicycle Master Plan and the 2012 O`ahu Bike Plan; quantified the number of bike projects; reviewed updated bike plans and reports; and conducted site visits to bike facilities. We also interviewed DTS personnel and administrators involved with the bike projects and discussed the status of bike projects, bike funds, and why the funds were lapsing.

We reviewed the city financial management program for bicycle project fund data. We reviewed bike project contracts files and invoices. We also reviewed DTS weekly status reports, progress reports, review checklists, and federal grant authorization forms.

We quantified the bike related funds appropriated and received by the city for federal grants, identified federal and city capital projects related to bike projects; quantified the amounts received and used for bike related projects, and verified the amount of bike related funds that had lapsed. We examined documents related to the bike projects, evaluated the effectiveness and efficiency of the bike program, the status of bike plans and projects, the status of bike related funds, and why bike funds had lapsed. We also interviewed DDC staff involved with bike related projects.

At the state and federal levels, we reviewed applicable state and federal laws, rules and guidelines. These included the Federal Highway Administration's (FHWA) Finance Administrative Requirements, the Common Grant Rule, and the Federal Highway Process Review. We also reviewed communications from HDOT and the FHWA to DTS.

We interviewed Federal Highway Administration staff and the Hawai`i Department of Transportation staff involved with federally funded bike projects. At the state and federal levels, we discussed the economy, effectiveness, and efficiency of the city bike projects, plans, and programs; the status of bike related funds; the amount and reasons why bike-related funds were lapsing. We also discussed the impact of the lapsed funds on city, state and federal programs; their concerns regarding the city bike programs; and the adequacy of the city administration of the bike-related funds.

Our review covered funding data for bike projects and facilities from FY 2006 through FY 2014. The audit was performed in accordance with generally accepted government audit standards from December 2013 to March 2015. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Results

Prior to January 2013, previous administrations and the Department of Transportation Services (DTS) placed a low priority on completing bike projects. Since January 2013, the new mayor made making Honolulu a bike friendly city a priority and the new DTS Director initiated several projects and programs to make Honolulu a bike friendly city. Although many improvements have occurred since January 2013, more needs to be done to ensure the success of the bike program. In our opinion, DTS and the other city departments need to:

- Establish formal, written policies, procedures, terminology, and definitions for the bike program to facilitate communications, coordination, administration, and implementation of the city bike plan, projects, and program. The formal policies and procedures should provide DTS or an oversight body the authority, as well as the responsibility, to oversee, coordinate, monitor, and manage all bike projects among all city departments; and negotiate memoranda of agreements with state and city entities for the implementation of bike-related projects identified in the O`ahu Bike Plan and related to the city complete streets ordinance. As appropriate, the city charter commission should consider amending the city charter to institutionalize the formal policies and procedures related to the bike projects.
- Maintain complete, consistent, accurate and reliable bike project and funding data for all bike projects, and ensure bike project and funding data are readily available among project managers throughout the city, particularly those involved in bike projects.
- Better manage funds and federal grants for bike projects so the use of the funds are used in a timely manner to attain the bike program goals, objectives, and priorities.

As of June 30, 2013, we identified over \$3.2 million in bike-related funds that lapsed. As of June 30, 2014, we identified an additional \$353,000 in bike funds that lapsed.² If the \$3.64 million in city funds continue to lapse and federal funds are de-obligated, the loss will adversely affect DTS and the city's ability to achieve the goals, objectives, and priorities itemized in the O'ahu Bike Plan and the city charter priority for a pedestrian and bicycle friendly city. The city's external auditors reported the administration of federal funds was a material weakness in the city internal controls. The external auditor also recommended that the city review its grant agreements to identify all program requirements and implement procedures to ensure compliance with the federal requirements.

² DTS contends no formal de-obligation of the funds occurred and the funds do not expire, therefore the funds have not lapsed. DTS could not provide copies of any federal grants that show the federal funds do not expire. Federal and state personnel responsible for distributing the bike grants stated although the funds have not been de-obligated, they were concerned the de-obligation could occur at any time. City bike project funds returned to the city bikeway and highway funds may not be available for the same bike projects in future capital budgets.

Chapter 2

Improved Program Administration Will Help Achieve City Charter and Bike Plan Goals, Objectives, and Priorities

The Department of Transportation Services (DTS), as well as other city departments, can improve its administration and coordination of the city bike plan, projects, and program by establishing formal written policies, procedures, terminology, and definitions for the bike program. These would facilitate bike plan communications, bike project coordination, program administration, and successful implementation of the 2012 O`ahu Bike Plan. Maintaining complete, consistent, accurate and reliable bike project and funding data, and ensuring bike project and funding data are consistent and readily available among project managers throughout the city would help DTS and other city departments attain the city charter priority of making Honolulu a pedestrian and bicycle-friendly city.

- The formal policies and procedures should provide DTS or an oversight body the authority to oversee, coordinate, monitor, and manage all bike projects among all city departments.
- The O`ahu Bike Plan includes State of Hawai`i streets. The city should negotiate memoranda of agreements with the State of Hawai`i Department of Transportation (HDOT) that ensure the bike plan and complete streets ordinance requirements are implemented.
- DTS should negotiate memoranda of agreements with other city departments that provide DTS or an oversight body the authority to implement bike projects identified in the O`ahu Bike Plan and bike projects related to the complete streets ordinance.
- As appropriate, the city charter commission should consider amending the city charter to institutionalize the formal policies and procedures related to the bike projects.

Background

The bike program is a means to ensure the attainment of the pedestrian and bicycle-friendly priority. The Revised Charter of Honolulu, Section 6-17, states that:

...one of the priorities of the Department of Transportation Services is to make Honolulu a pedestrian and bicycle-friendly city.

Section 6-17 provided the Director of the Department of Transportation Services the duties and functions for making the city more pedestrian- and bicycle-friendly. Based on the city charter, DTS has responsibility for overseeing and coordinating the implementation of city bike plans, programs, and projects throughout the city. However, the DTS authorities and powers to implement the bike plans and programs are not delineated.

Other departments involved in bike projects

Besides DTS, other city departments involved with bike projects include:

- **Department of Design and Construction (DDC).** As the central agency for administering the city's capital improvement program (CIP), DDC directs and performs planning, engineering, design, and construction of buildings, streets and other public projects.
- **Department of Facilities Maintenance (DFM).** This department plans and administers repair, renovation and maintenance programs for city roads, bridges, buildings, and parking facilities.
- **Department of Planning and Permitting (DPP).** DPP is responsible for the city's long-range and community planning efforts, issues and enforces permits required for development projects, and enforces city standards and requirements for infrastructures.

Bike projects initiated and developed by the above departments may not involve DTS in the planning, design, construction, maintenance and operation of the project. The departments are not required to coordinate or share bike projects plans and information with DTS, and, according to the DTS Director, are not required to design and implement bike projects in accordance with DTS designs or specifications.

DTS Roles and Responsibilities

DTS is the primary department for administering the city's 2012 O`ahu Bike Plan, achieving the plan goals and objectives,

and establishing policies and procedures that support the bike program. The O`ahu Bike Plan contains 358 projects including 84 priority 1 projects; 144 priority 2 projects; and 130 priority 3 projects. The bike plan also contains a Short-Range Implementation Plan of 65 projects and 35 2-year benchmarks for measuring the city's performance and progress in implementing 90% of the projects by August 2017 (see Appendices 2 to 4).

The DTS director states that DTS' role is to be an advocate for bike projects among the other departments. According to the DTS Director, the department lacks the leverage or authority to ensure all city departments comply with the O`ahu Bike Plan and the complete streets ordinance for bike projects. According to DTS staff, each department is responsible for independently complying with the complete streets ordinance and the O`ahu Bike Plan. Independent of DTS, each department is also responsible for determining which, if any, bike project should be included in their projects.

Post January 2013

Prior to January 2013, the previous administrations and the DTS directors placed a low priority on completing bicycle projects. After January 2013, the new mayor priorities included *making Honolulu a bike-friendly city*. The newly appointed DTS Director subsequently initiated several actions and programs for making the city more bike-friendly. The following table lists the 17 projects and initiatives that were either started or reported complete since January 2013. The list includes 6 DDC; 1 DPP; 9 DTS projects, and 1 DTS/DFM project.

Exhibit 2.1**List of Bicycle Projects Started/Completed Since January 2013**

No.	Project/Initiative	Start Date- Notice to Proceed (NTP) Date	Date Completed	Completion Date (DTS)	Department
1	Beretania Street	6/30/2014	TBD	-	DDC
2	Wailua Street	3/5/2012	3/4/13	5/1/2014	DDC
3	Young Street	3/5/2012	TBD	4/1/2013	DDC
4	Varsity Place	3/5/2012	TBD	4/1/2013	DDC
5	Coyne Street	3/5/2012	TBD	4/1/2013	DDC
6	Wai`alae Ave.	7/2/2012	TBD	9/1/2014	DDC
7	Bikeshare Hawai`i Organizational Study		Jun-14		DPP
8	Civic Center (inspection)	6/17/2013	TBD	TBD	DTS
9	Civic Center (construction)	9/9/2013	TBD	TBD	DTS
10	Diamond Head/Monsarrat Ave/Makapu`u Ave/18 th Ave Bikeway Improvements (construction)	10/10/14	TBD	TBD	DTS
11	Diamond Head/Monsarrat Ave/Makapu`u Ave/18 th Ave Bikeway Improvements (inspection)	9/8/2014	TBD	TBD	DTS
12	Hamakua Dr. Bikeway Improvements	8/1/2014	TBD	TBD	DTS
13	Kealaolu Ave. Shoulder Improvements (construction)	8/1/2013	6/9/14	6/9/14	DTS
14	Kealaolu Ave. Shoulder Improvements (inspection)	7/8/2013	TBD	TBD	DTS
15	Kalaheo Ave. Shoulder Improvements (inspection)	7/1/2012	6/4/14	7/31/14	DTS
16	Waipio Point Access Road Improvements	10/4/2010	4/9/12	10/7/2013	DTS
17	King Street Cycle Track	9/8/2014	12/6/2014	12/6/2014 ³	DTS/DFM

³ Date available for public use, project is ongoing

Source: Department of Transportation Services and Department of Design and Construction contract files

Other post-January 2013 initiatives included the following:

- Establishing complete street working groups,
- Coordinating with city departments and community groups to design and complete the Wai'alaie Avenue bike paths,
- Advocating bike-friendly programs among city residents and community groups,
- Ensuring the construction and completion of the King Street Cycle Track,
- Applying for federal grants for eight other cycle track projects in the city,
- Introducing bikeshare initiatives,
- Improving the bike network, rail-bike connections, and bicycle infrastructure,
- Drafting an age-friendly city plan that includes bike-friendly initiatives and incorporating bike-friendly designs into the complete streets program, and
- Promulgating the draft Honolulu Complete Streets Design Manual.

The current DTS Director, since January 2013, has accomplished more than his predecessor in advancing the goals and objectives of the O'ahu Bike Plan. As a result, bike pathways and new bike projects are visible throughout the city.

Sample Results for 32 Bike Projects

For the audit, we sampled 5 DDC, 26 DTS and 1 DTS-DFM bike projects throughout the city. Our review identified several opportunities for improving the administration and management of the bike program. The 32 bike-related projects from both before and after January 2013 showed the need to:

- Establish written policies, procedures, terminology, and definitions for the bike program to facilitate communications, coordination, administration, and implementation of the city bike plan, projects, and program;

- Maintain complete, consistent, accurate and reliable project and fund data, including the actual costs for bike-related facilities and projects;
- Ensure bike project, costs, and fund data are consistent, accurate, reliable, and readily available among project managers throughout the city; and
- Better manage funds and federal grants for bike projects so the use of the funds are used in a timely manner to attain the bike program goals, objectives, and priorities (see Chapter 3).

These improvements will facilitate attaining the 2012 O`ahu Bike Plan goals, objectives and priorities, and the city charter priority for a pedestrian and bike-friendly city.

Exhibit 2.2
List of the 32 Bike Projects Reviewed

<i>No.</i>	<i>Project^{4,5}</i>	<i>Dept. ⁶</i>	<i>Contract No.</i>	<i>Contractor(s)</i>	<i>Date Completed⁷</i>	<i>Closeout Date</i>	<i>Fund</i>	<i>Initial Contract Amount⁸</i>	<i>Bike Costs</i>
1	Keolu Drive (Rehabilitation of Streets, Unit 52)	DDC	CT-DDC-0900426	Grace Pacific Corp.	3/16/2010	7/08/14	620	\$6,980,013	Unknown
2	Asing Park-Misc. Bike Path Improvements	DTS	F06216	Site Engineering (Kaikor)	Cancelled	-	-	\$189,500	Unknown
3	Thomas Square Park and Civic Center Bike Path Center (design) ⁵	DTS	SC-DTS-1100094	Austin, Tsutsumi & Assoc.	-	-	620	\$150,000	Unknown
4	Date Street Bike Path Rehabilitation (construction)	DTS	CT-DTS-1100472	Integrated Construction	12/31/13	3/07/15	620	\$339,850	\$347,392
5	Date Street Bike Path Rehabilitation (design)	DTS	SC-DTS-1000160	AECOM Pacific	2/18/14	5/31/14	620	\$65,000	\$64,990
6	Diamond Head/Monsarrat Avenue/Makapu`u Avenue/18 th Avenue Bikeway Improvements (construction) ^{5, 10}	DTS	CT-DTS-1400188	Royal Contracting	-	-	140,630	\$241,013	\$97,062
7	Diamond Head/Monsarrat Avenue/Makapu`u Avenue/18 th Avenue Bikeway Improvements (design) ⁵	DTS	SC-DTS-1200121	Fukunaga & Associates	-	-	140,620	\$148,000	\$174,962

Exhibit 2.2 (Continued)

No.	Project ^{4, 5}	Dept. ⁶	Contract No.	Contractor(s)	Date Completed ⁷	Closeout Date	Fund	Initial Contract Amount ⁸	Bike Costs
8	Kalaheo Avenue Shoulder Improvements (design) ⁵	DTS	SC-DTS-1000154	Fukunaga & Associates	12/20/13	2/04/15	620	\$229,480	\$213,268
9	Kalaheo Avenue Shoulder Improvements (inspection) ⁵	DTS	SC-DTS-1200124	Manthos Engineering	6/04/14	7/31/14	140,630	\$105,000	\$101,653
10	Kalaheo Avenue Shoulder Improvements (construction) ⁵	DTS	CT-DTS-1200186	Ideal Construction	11/09/12	4/23/14	140,620	\$398,365	\$418,105
11	Kalakaua Avenue Bike Lanes/Lei of Parks Route One (design) ⁵	DTS	SC-DTS-1000153	Wilson Okamoto	-	-	620	\$159,600	\$151,582
12	Kalakaua Avenue Bike Lanes/Lei of Parks Route One (construction) ⁵	DTS	CT-DTS-1200408	Rons Construction	11/15/12	5/22/13	140,630	\$304,670	\$310,970
13	Kapahulu Avenue	DTS	None	-	Cancelled	-	-	-	Unknown
14	Ke Ala Pupukea-Misc. Bike Path Improvements	DTS	F06226 (F-98471)	tm DESIGNERS (Kaikor)	Cancelled	-	-	\$141,450	Unknown
15	Kealaolu Avenue Shoulder Improvements (design)	DTS	SC-DTS-1000177	Belt Collins	-	-	620	\$111,000	\$104,028
16	Kewalo Basin-Misc. Bike Path Improvements	DTS	F06236 (F-98471)	Haron Construction (Kaikor)	Cancelled	-	-	\$60,000	Unknown
17	Meheula Parkway Improvements (construction)	DTS	CT-DTS-1000520	GP Roadway	1/06/11	8/05/11	620	\$61,090	\$61,240
18	Meheula Parkway Improvements (design)	DTS	SC-DTS-0900182	Park Engineering	5/4/12	Unknown	620	\$62,500	\$62,500
19	Metcalf Street Improvements	DTS	None	-	Cancelled	-	-	-	Unknown
20	Misc. UH Improvements	DTS	None	-	Cancelled	-	-	-	Unknown
	Pre-January 2013 Total							\$9,746,531	
21	Beretania Street (Rehabilitation of Streets, Unit 52) ⁵	DDC	CT-DDC-1300367	Road and Highway Builders, LLC	-	-	620	\$9,444,444	Unknown
22	Civic Center Bike Path Improvements (inspection) ⁵	DTS	SC-DTS-1300028	Manthos Engineering	-	-	140,630	\$242,000	\$256,111
23	Civic Center Bike Path Improvements (construction) ⁵	DTS	CT-DTS-1300209	MEI Corporation	-	-	140,630	\$361,000	\$212,393

Exhibit 2.2 (Continued)

No.	Project ^{4,5}	Dept. ⁶	Contract No.	Contractor(s)	Date Completed ⁷	Closeout Date	Fund	Initial Contract Amount ⁸	Bike Costs
24	Diamond Head/Monsarrat Avenue/Makapu'u Avenue/18 th Avenue Bikeway Improvements (inspection) ⁵	DTS	SC-DTS-1500001	Manthos Engineering	-	-	140,630	\$125,600	\$58,276
25	Hamakua Drive Bikeway Improvements (design)	DTS	SC-DTS-1400101	AECOM Technical Services	-	-	140,630	\$100,000	\$32,750
26	Kealaolu Avenue Shoulder Improvements (construction)	DTS	CT-DTS-1300212	Mega Construction	-	-	140,630	\$803,236	\$748,226
27	Kealaolu Avenue Shoulder Improvements (inspection)	DTS	SC-DTS-1300096	Manthos Engineering	-	-	140,630	\$271,000	\$219,943
28	Coyne Street, Varsity Place, Young Street (Rehabilitation of Localized Streets, Phase 6A) ⁵	DDC	CT-DDC-1100399	Grace Pacific Corp.	4/1/2013	Unknown	620	\$11,410,348	Unknown
29	Wailua Street (Rehabilitation of Streets, Unit 25)	DDC	CT-DDC-1200321	Grace Pacific Corp.	5/1/2014	-	620	\$9,569,425	Unknown
30	Wai'alaie Ave. (Rehabilitation of Streets, Unit 57) ⁵	DDC	CT-DDC-1100400	Jas. W. Glover, Ltd.	9/1/2014	-	620	\$9,361,775	Unknown
31	Waipio Point Access Road Improvements (Southern Section) ⁵	DTS	CT-DTS-1000174	Haron Construction, Inc.	4/9/12	11/14/14	630	\$2,969,740	Unknown
32	King Street Cycle Track (Southern Section) ⁵	DTS/DFM	n/a	n/a	12/6/2014 ⁹	n/a	DTS could not provide	n/a	Unknown
	Post-January 2013 Total							\$44,658,568	
	Grand Total							\$54,405,099	

⁴ The city departments (DTS, DDC, DFM, and DPP) lacked a common definition for bike projects, bike contracts, and bike facilities. We therefore defined any project or contract that involved bikeways, bike related facilities, or bike supporting infrastructure as one bike project.

⁵ Project was included in the 2012 O'ahu Bike Plan Short Range Implementation Plan.

⁶ Department of Transportation Services (DTS), Department of Design and Construction (DDC), Department of Facility Maintenance (DFM), Department of Planning and Permitting (DPP).

⁷ (-) Denotes project is in-progress and not complete.

⁸ The total contract amount is the initial contract amount and includes bike and non-bike project costs. Contract amendments, if any, increased the total contract amount.

⁹ Date available for public use, project is ongoing.

¹⁰As of March 20, 2015, the DTS director reported four more Priority 1 projects were completed, and the 4.43 miles of bikeway improvements are available to the cycling community. These include 18th Avenue, Diamond Head Road (Paki Avenue to Fort Ruger Park), Makapu'u Avenue, and Monsarrat-Diamond Head Road (Kapahulu Avenue to Fort Ruger Park).

Source: Department of Transportation Services, Department of Design and Construction, Department of Facility Maintenance (DFM), and Department of Planning and Permitting (DPP) files.

Formal Policies and Procedures, Terminology, and Definitions Are Needed

Written policies, procedures, and standardized terminology and definitions for the bike program help facilitate communications, coordination, administration, and implementation of the city bike plan, projects, and program.

Formal policies and procedures are needed. During the sample, we did not find formal, written policies, procedures, terminology, and definitions for the bike program. Although the city charter for Honolulu assigns DTS the duties and functions for making the city pedestrian- and bicycle-friendly, we did not find a formal program or process for implementing the O`ahu Bike Plan or other bike program initiatives. According to the Bike Plan, the city needs programs and policies that are easy to implement and that will help achieve the plan goals and objectives for establishing bicycling as an alternate transportation mode.

DTS and the other departments rely on an unofficial process for managing the bike program. For example, when a DDC project involves a bike project, DTS participates in the planning and design phase of the project. After the planning and design phase, there is no coordination between DTS and DDC. Although there may be informal communication between the departments, there is no requirement for DDC to inform and report their bike project information to DTS. As a result, DTS was not completely aware of other department project plans, designs, timelines, completion dates, actual costs, funding or other details that related to the city's bike plan.

Without formal bike program policies and procedures, the city cannot ensure that the current initiatives introduced by the current DTS Director will continue if he leaves the city or is reassigned. If the current or future administrations do not place a high priority on bike projects, the city charter priority on making Honolulu a bike-friendly city is unlikely to be achieved. Without a formal process or program, the city may not complete the 84 priority 1 projects or the 65 short-range projects listed in the O`ahu Bike Plan by August 2017.

Without formal policies and procedures, the city and DTS cannot ensure all the bike projects among other departments receive proper oversight, coordination, monitoring, and comply with the complete streets ordinance projects and the O`ahu Bike Plan goals, objectives, and priorities. Absent formal memoranda of agreements with the Hawai`i State Department of Transportation, the city and DTS cannot ensure state roadways will comply with the complete street ordinance bikeway requirements or that the

state will implement the O`ahu Bike Plan for state streets included in the plan.

Since January 2013, the current DTS Director reported he initiated discussions and meetings with other department directors such as DDC, DFM, and DPP to advocate and coordinate bike projects. His staff report they also initiated meetings with other city departments on DTS *stand-alone* bike projects. However, our discussions with DDC and other city personnel involved with bike projects, such as the King Street Cycle Track, indicate the project staff were not fully aware of the decisions and information provided at these meetings.

Formal, standardized definitions and terminology are needed. We did not find formal, standardized definitions and terminology for the bike program. DTS and the other city departments we contacted did not have clear terminology or consistent definitions for the bike projects. For example, during our review of the 32 projects, DTS managers and DDC managers had different definitions for a bike facility project, bike support project, bike-related project, and a stand-alone bike project. The lack of clear definitions and terminology impeded our communications with the DTS and DDC bike project managers and impeded our discussions with other staff involved in the bike projects.

In our opinion, creating clear, consistent formal definitions and terminology for the bike program would facilitate communications among the personnel and staff involved with bike projects, particularly since the city-wide program involves four or more departments (DTS, DDC, DFM, and DPP) and several divisions within the departments.

For instance, DTS and DDC had different definitions for bike projects, bike facilities, and bike contracts. Absent any common definitions, we were unable to distinctly define and classify the bicycle-related projects started, in-process, or completed by DTS, DFM, and DDC. To facilitate analysis of the 32 projects and contracts in our sample, we had to develop our own definitions for the following:

- *Stand-alone bike projects* are bike projects that are implemented by DTS and include only bikeway improvements.
- *Bike facility projects* are bikeway improvements that are a component of a larger roadway or sidewalk improvement project. Bike facility projects include those implemented by DDC and DFM.

- *Bike support projects* based on the bike plan, complement and augment the overall network of bicycle routes, lanes, and paths. Support projects include parking, showers, changing facilities, and projects that integrate bikes with public transit.
- *Other bike related projects* are projects that are not stand-alone or implemented by DTS. The projects are also not a facility or component of a larger roadway improvement project.

Although DTS staff disagreed with our definitions and classifications, neither DTS nor DDC could provide clear, consistent definitions or classifications for the bike projects included in our sample. For instance, we were unsuccessful in categorizing the following projects because neither DTS nor DDC had consistent, uniform definitions, or classifications for bike facility, bike support project, bike stand-alone project, or other bike-related project.

Exhibit 2.3

What Type of Project is Kalakaua Avenue Bike Lane, *Lei of Parks* Route One?



Kalakaua Avenue Bike Lane

Source: Office of the City Auditor

Exhibit 2.4
What Type of Project is Coyne Street and Keolu Drive?



Coyne Street Sharrows



Keolu Drive Bike Lane

Source: Office of the City Auditor

Exhibit 2.5
What Type of Projects are TheBus Bike Racks and Bicycle Racks?



TheBus Bike Racks



Kahala Bicycle Staging Area

Sources: O`ahu Bike Plan, Office of the City Auditor

Exhibit 2.6

What Type of Project is the King Street Cycle Track?



King Street Cycle Track

Source: Office of the City Auditor

Better Coordination Is Needed

Our review of the 32 bike projects showed DTS and the other city departments need to increase and improve coordination for bike activities, plans, and projects. Prior to January 2013, our sample indicated bike projects had minimal coordination and communication among the departments involved with the bike projects. After January 2013, the current DTS Director reported he initiated coordination with DDC, DFM, DPP, and other departments on bike projects. Agendas, meeting minutes and e-mails show formal meetings were held to coordinate bike project design, planning, and construction. However, the coordination efforts were related to the complete streets ordinance and the prototype King Street Cycle track, rather than the O`ahu Bike Plan.

The O`ahu Bike Plan contains 65 short term implementation projects. Fifty-eight of the 65 short term implementation projects are priority 1 projects that are supposed to be completed by 2017.

As of early 2015, only ten short-range priority 1 projects were completed.¹¹ In order to complete the remaining 48 short term priority 1 projects by 2017, DTS and the other city departments will have to closely coordinate and integrate the short term projects into the complete streets projects underway.

The bike plan contains 35 benchmarks for measuring the city's performance and progress in implementing the O`ahu Bike Plan. DTS reported 20 of the 35 benchmarks were completed, 5 were partially implemented, and 10 were not completed by the August 2014 deadline. Of the 20 benchmarks completed, 6 were met by reaching out to neighborhood and special interest biking groups and coordinating DTS' and the advocacy groups' efforts. Similar, innovative coordination will be needed by DTS and the other city departments to attain the August 2017 deadline for the priority 1 projects in the O`ahu Bike Plan.

Complete, Consistent, Accurate, Reliable, and Readily Available Project and Funding Data Are Needed

Project data, dates, deadlines and funding should be consistent, accurate, reliable, and readily available to project managers throughout the departments and the city. Bike project budgets, actual costs, and funding data should be complete, consistent, accurate, reliable, and readily available among project managers. This type of data are needed for effective and efficient monitoring, management, and reporting on bike projects.

Project data. The O`ahu Bike Plan lists 65 short range projects for completion by August 2017. To achieve the bike plan goals, objectives, and target dates, DTS, DDC, and DFM managers will need complete, accurate, and reliable project information such as accurate deadlines, timetables, notices to proceed, and project completion dates. The project information will also be needed to evaluate the progress of bike related projects.

During our sample of the 32 bike projects, bike project staff in the city departments were unable to provide us complete, consistent, accurate, reliable, and readily available project information. For example, our initial request for a complete list of bike projects was incomplete and inconsistent with information gathered from the contract files. Bike project start and completion dates, funding

¹¹ As of March 20, 2015, the DTS director reported four more Priority 1 projects were completed, and the 4.43 miles of bikeway improvements are available to the cycling community. These include 18th Avenue, Diamond Head Road (Paki Avenue to Fort Ruger Park), Makapu`u Avenue, and Monsarrat-Diamond Head Road (Kapahulu Avenue to Fort Ruger Park).

sources, status, actual project costs, and other data requested were incomplete, inconsistent, not completely accurate or unreliable, and not readily available. As a result, we did not have complete, accurate, consistent, or reliable data for the bike projects selected for our sample throughout the audit.

In another example related to our sample, DTS managers reported 12 bike related projects were completed as of October 2014. We found that 6 of the 12 project dates were estimated and based on the DTS bike coordinator's judgment instead of the actual project documents because the DTS bike coordinator did not have complete, accurate, and readily available project information for tracking bike related projects. Although the DTS responsibilities included participating in long-range planning for bicycle-related capital improvement projects, it did not have complete information on when bike facilities projects were completed. As a result, file pictures were used to determine the approximate dates when the projects in our audit sample were completed.

Funding data. Our sample showed that project and funding data were inconsistent, inaccurate, unreliable and not readily available. This condition existed because DTS and the other departments involved with implementing the bike projects did not maintain data on systems, such as the city enterprise resource management system (C2HERPS), which are accessible to others. During our review, we found no record of fund data for the bike projects in the city's financial management program (CH²ERPS). DTS subsequently confirmed that CH²ERPS is not used to maintain and track funds used for bike-related projects.

DTS and the other departments also did not share project or funding data with other project managers. As a result, for the sample, DTS and DDC could not readily provide the actual, total costs for the city bike-related projects, and could not accurately and readily quantify the amount of funds received or used for the O`ahu Bike Plan projects.

The O`ahu Bike Plan states that funding for projects and programs is critical to the plan's execution. We found bike funding data were inconsistent among project managers and among DTS, DDC, and DFM managers involved with the bike related projects. As of June 30, 2013, we identified over \$3.2 million in bike-related

funds that lapsed. As of June 30, 2014, we identified an additional \$353,000 in bike funds that lapsed.¹² If the \$3.64 million in city funds continue to lapse and federal funds were de-obligated, the reduction of funds would adversely impact the city's ability to accomplish the goals, objectives, and deadlines in the O'ahu Bike Plan. (See Chapter 3 for more details).

During our sampling, a bike project manager reported that data on the federal funds were not available for bike related projects. Another manager found that DTS does maintain federal fund data. In another instance, a manager reported that the American Recovery and Reinvestment Act of 2009 (ARRA) funds were not used to construct any bike facilities, we found however that ARRA funds were used for the Waipio Point Access Road Improvements project which included bike path improvements from the Pearl Harbor Bike Path to the Waipio Soccer Park.

Without accurate and reliable project and funding data, DTS, DDC, and DFM were unable to completely quantify or identify the total capital costs related to the bike plan, and were unable to track, monitor, and expend bike-related federal, state and city bike plan related funds before they lapsed or expired.

Actual bike project costs are unknown. The bike plan contains estimated costs totaling \$68 million for bike projects. DTS was unable to provide costs for all bike-related projects because bike facility costs were mixed into the cost of other projects such as the complete streets projects mandated by city ordinance, and bike-related project costs were not separately tracked or identified.

For example, as a part of the city complete streets ordinance, DDC and DFM were required to incorporate bike facilities into their projects. In the DDC Rehabilitation of Localized Streets, Phase 6A project, DDC implemented the bike plan projects for Coyne Street, Varsity Place, and Young Street by constructing bike facilities, but the bike-related project costs were not separately identified and tracked.

¹²DTS contends no formal de-obligation of the funds occurred and the funds do not expire, therefore the funds have not lapsed. DTS could not provide copies of any federal grants that show the federal funds do not expire. Federal and state personnel responsible for distributing the bike grants stated although the funds have not been de-obligated, they were concerned the de-obligation could occur at any time. City bike project funds returned to the city bikeway and highway funds may not be available for the same bike projects in future capital budgets.

For the Wai`alae Avenue project, DDC bike lane striping costs were included in the lump-sum striping costs for the entire project and not segregated. As a result, DDC could not provide complete and consistent bike project costs.

For the King Street Cycle Track, DTS planned and designed the project and DFM constructed the new King Street Cycle Track. The departments did not segregate the bike-related project costs. As a result, DTS and DFM could not readily provide complete and consistent bike project costs for the project. (Photos of the King Street Cycle Track are shown below.)

Exhibit 2.7
King Street Cycle Track Photos



King Street Cycle Track

Source: Office of the City Auditor

The following table lists other examples of mixed projects that included bike related costs that were not tracked separately. DTS and DDC could not provide bike project costs for the projects. Without the actual bike related costs, DTS and DDC were unable to identify any savings or cost overruns for these bike projects.

Exhibit 2.8 Sample of Mixed Projects that Included Bike Related Facilities

Project	Bike Facility	Contract No.	Fund	Contract Amount¹³	Bike Project Cost
Waipio Point Access Road Improvements	Waipio Point Access Road (Southern Section)	CT-DTS-1000174	630	\$ 2,969,740	Unknown
Rehabilitation of Beretania Street, Unit 64-R	Beretania Street	CT-DDC-1300367	620	\$ 9,444,444	Unknown
Rehabilitation of Streets, Unit 52	Keolu Drive	CT-DDC-0900426	620	\$ 6,980,013	Unknown
Rehabilitation of Localized Streets, Phase 6A	Coyne St., Varsity Pl., Young St.	CT-DDC-1100399	620	\$ 11,410,348	Unknown

¹³ Contract amount includes bike and non-bike project costs.

Source: Bike Plan, Department of Transportation Services, Department of Design and Construction

Project cost should be readily available. Actual costs for bike projects built by DDC or DFM were not readily available although these departments contributed to the bike program by incorporating bike facilities into their own projects. For example, DDC project managers did not track, monitor, or identify bike project costs for their street resurfacing and repaving projects. For the King Street resurfacing project, DTS project managers were unable to quantify the bike project costs because the project managers did not have ready access to DFM or DDC costs for the project. The incomplete DFM information resulted in understated and incomplete bike project costs for the King Street project.¹⁴

During our audit, the DTS Director reported he initiated a letter to other departments and the managing director that addressed the issue of accounting for bikeway project costs, as well as other complete street issues.

¹⁴ Subsequent to the audit, DFM provided labor costs to DTS of \$180,641.02. DTS' material costs totaled \$38,267.73

Recommendations

The Managing Director and the Director of the Department of Transportation Services should:

1. Establish formal written policies, procedures, terminology, and definitions for the bike program that will facilitate bike plan communications, bike project coordination, program administration, and successful implementation of the 2012 O`ahu Bike Plan.
2. The formal policies and procedures should provide DTS or an oversight body the authority to oversee, coordinate, monitor, and manage all bike projects among all city departments.
3. The O`ahu Bike Plan includes State of Hawai`i streets. The city should negotiate memoranda of agreements with the State of Hawai`i Department of Transportation (HDOT) that ensure the bike plan and complete streets ordinance requirements are implemented.
4. DTS should negotiate memoranda of agreements with other city departments that provide DTS or an oversight body the authority to implement bike projects identified in the O`ahu Bike Plan and bike projects related to the complete streets ordinance.
5. As appropriate, the city charter commission should consider amending the city charter to institutionalize the formal policies and procedures related to the bike projects.
6. Maintain complete, consistent, accurate and reliable bike project and funding data, and ensure bike project and funding data are consistent and readily available among project managers throughout the city. The data should help DTS and other city departments attain the city charter priority of making Honolulu a pedestrian and bicycle-friendly city.
7. Develop and ensure the database of bike projects includes project costs; project funds available, expended, and available; actual bike project costs; funding sources and amounts; fund expiration dates; fund lapse dates; fund requirements; project start and completion dates; and other data needed to efficiently and effectively manage all bike projects, funds, and progress in implementing the bike plan.

8. Use the database to increase accountability and measure the city's performance in attaining the O'ahu Bike Plan goals, objectives, and visions; and facilitate tracking, monitoring, administration, and evaluation of the city's progress in making Honolulu a bike-friendly city.
9. Use the database to ensure all city departments comply with the complete street ordinance requirements for bike and bikeway projects that will make Honolulu a bike-friendly city.

Chapter 3

Improved Administration of Bike Funds Will Prevent Loss of Funds for Bike Projects

The city and Department of Transportation Services needs to better manage bike project funds and federal grants so the funds are used in a timely manner to attain the bike program goals, objectives, and priorities. As of December 2014, we identified over \$3.64 million in bike related funds, grants, and appropriations that had lapsed or were at risk of lapsing. Prior to January 2013, over \$3.2 million in city and federal funds lapsed. After January 2013, over \$353,800 in bike funds lapsed.¹⁵ If the city funds continue to lapse and federal funds are de-obligated, the loss will adversely affect DTS and the city's ability to achieve the goals, objectives, and priorities itemized in the O`ahu Bike Plan and the city charter priority for a pedestrian and bicycle friendly city. The city's external auditors reported the administration of federal funds was a material weakness in the city internal controls. The external auditor also recommended that the city review its grant agreements to identify all program requirements and implement procedures to ensure compliance with the federal requirements.

Background

Since FY 2011, the DTS and the city received approximately \$5.6 million in federal funding for 10 bicycle projects. Exhibit 3.1 lists the federally funded projects we reviewed. (Appendix 7 provides additional details.)

¹⁵DTS contends no formal de-obligation of the funds occurred and the funds do not expire, therefore the funds have not lapsed. DTS could not provide copies of any federal grants that show the federal funds do not expire. Federal and state personnel responsible for distributing the bike grants stated although the funds have not been de-obligated, they were concerned the de-obligation could occur at any time. City bike project funds returned to the city bikeway and highway funds may not be available for the same bike projects in future capital budgets.

Exhibit 3.1 Federally Funded Bike Projects (10 Projects)

<i>Project</i>	<i>Contract No.</i>	<i>Contractor</i>	<i>Notice to Proceed (NTP) Date</i>	<i>Date Completed</i>	<i>Fund No.</i>	<i>Total Contract Amount¹⁶</i>	<i>Bike Cost</i>
Waipio Point Access Road (Southern Section)	CT-DTS-1000174	Haron Construction, Inc.	10/4/2010	4/09/2012	630	\$2,969,740	Unknown
Kalaheo Avenue (inspection)	SC-DTS-1200124	Manthos Engineering	7/1/2012	6/04/2014	140,630	\$105,000	\$101,653
Kalaheo Avenue (construction)	CT-DTS-1200186	Ideal Construction	9/4/2012	11/09/2012	140,630	\$398,365	\$418,105
Pre-January 2013						\$3,473,105	
Civic Center (inspection)	SC-DTS-1300028	Manthos Engineering	6/17/2013	-	140,630	\$193,600	\$256,111
Kealaolu Avenue (inspection)	SC-DTS-1300096	Manthos Engineering	7/8/2013	-	140,630	\$271,000	\$219,943
Kealaolu Avenue (construction)	CT-DTS-1300212	Mega Construction	8/1/2013	6/09/2014	140,630	\$803,236	\$748,226
Civic Center Bike Path (construction)	CT-DTS-1300209	MEI Corporation	9/9/2013	-	140,630	\$361,000	\$212,393
Hamakua (design)	SC-DTS-1400101	AECOM Technical Services	8/1/2014	-	140,630	\$100,000	\$32,750
Diamond Head (inspection)	SC-DTS-1500001	Manthos Engineering	9/8/2014	-	140,630	\$125,600	\$58,276
Diamond Head (construction)	CT-DTS-1400188	Royal Contracting	DTS is waiting for Construction Manager input	-	140,630	\$241,013	\$97,062
Post January 2013						\$2,095,449	
Total						\$5,568,554	

¹⁶ The total contract amount is the initial contract amount and includes bike and non-bike project costs. Contract amendments, if any, increased the total contract amount.

Source: Department of Transportation Services

Hawai`i State Department of Transportation (HDOT) administers federal bike funds

Federal funds are distributed through the State of Hawai`i Department of Transportation¹⁷ to sub-recipients such as the City and County of Honolulu.

- The city uses the Federal Grants Capital Projects Fund (Fund 630) for monies received from the HDOT and other federal government sources. The federal funds are usually in the form of grants, entitlements, shared revenues or payments in lieu of taxes, and other monies appropriated for capital projects that are transferred into this fund. The funds, particularly the federal grant funds, must be expended for the purposes received or appropriated. For federal grants, the city receives funds through a reimbursement process.

For nine of the above projects reviewed, federally funding totaled 80% and city funds comprised 20% of the project funds. These federal funded bike projects included the Kealaolu Avenue Shoulder Improvements; Kalāheo Avenue Shoulder Improvements; the Civic Center projects currently underway; and the new Diamond Head and Hamakua bike projects. For the 10th project, federal funds comprised 100% of the project funding for the Waipio Point Access Road Improvements project. Photos of some of the federal funded projects are shown in Exhibit 3.2.

¹⁷ The State of Hawai`i Department of Transportation administers these funds and distributes the funds to the city. The city and DTS received federal funds from the U.S. Department of Transportation Federal Highway Administration (FHWA) as a sub-recipient.

Exhibit 3.2
Examples of Federally Funded Bike Projects (Continued)



Kalaheo Avenue Shoulder Improvements



Kealaolu Avenue Shoulder Improvements



Waipio Point Southern Section



Civic Center Bike Path Improvements

Source: Office of the City Auditor

City funding for bike projects

Besides the Federal Grants Capital Projects Fund (Fund 630), other sources of funds for bicycle projects included the city Bikeway Fund (Fund 140), and the city Highway Improvement Bond Fund (Fund 620). For FY 2006 through 2014, the bike funds from the non-federal sources totaled \$5.17 million. This amount included \$2.92 million for bike-related projects (Fund 140) and \$2.25 million for highway improvement projects (Fund 620).

- The city Bikeway Fund (Fund 140) is comprised of bicycle and moped registration fees, transfer fees, penalties, fines, and charges for duplicate tags and certificates of registration. These monies are earmarked for the operation, acquisition, and other costs related to bikeways. If the funds appropriated each fiscal year are unused, they automatically revert (lapse) back into the city Bike Fund.
- The city Highway Improvement Bond Fund (Fund 620) contains the proceeds from general obligation bonds issued to pay for highway capital projects and related bike improvements. If the funds are not used by the end of the fiscal year, they lapse.

Material Weakness Reported by City External Auditor

Funding for bike projects is critical to the execution of the O`ahu Bike Plan and implementing the city charter priority for a bicycle and pedestrian friendly city. As a sub-recipient of federal funds, the city must comply with federal rules and requirements related to the grants and funds, including timely submission of reimbursement claims. To ensure compliance with the federal rules, DTS and the rest of the city must ensure project activities are timely completed and adequately documented.

For FY 2013-2014, the city's external auditor reported material weaknesses in the city's administration of U.S. Department of Transportation funds passed through the Hawai'i State Department of Transportation. A material weakness is the most serious level of deficiency for internal controls and indicates a material noncompliance with federal program requirements cannot be prevented and corrected on a timely basis.

The city external auditor recommended that the city review its grant agreements to identify all program requirements and to implement procedures to ensure compliance with the federal requirements.

During our review, we confirmed that DTS and the city lacks adequate controls to comply with the federal fund requirements. For example, DTS and the city lack procedures for ensuring bike related projects are started and completed within the timeframes stipulated by the federal agencies. Without proper controls, DTS and the city are unable to monitor, track, and expend federal funds before the funds expire and risk losing the use of federal funds and grants.

Potential for loss of the federal funding is high

Based on our review of federal fund documentation and discussions with State of Hawai'i Department of Transportation and Federal Highway Administration (FHWA) representatives, we determined the city could lose federal funding:

- If the city fails to use the funds within the period of availability of funds;
- If reimbursements are untimely;
- If the actual project costs are lower than the estimated costs and funds are not re-obligated; or
- If funds become inactive.

Lapsing funds

As of December 2014, we identified over \$3.64 million in bike-related funds, grants, and appropriations that had lapsed or were at risk of lapsing. Prior to January 2013, over \$3.2 million in city and federal funds lapsed. After January 2013, over \$353,800 in bike funds lapsed.^{18,19} The lapse rate averaged 39.71% before January 2013 and declined to 33.57% after January 2013.

¹⁸ DTS contends no formal de-obligation of the funds occurred and the funds do not expire, therefore the funds have not lapsed. DTS could not provide copies of any federal grants that show the federal funds do not expire. Federal and state personnel responsible for distributing the bike grants stated although the funds have not been de-obligated, they were concerned the de-obligation could occur at any time. City bike project funds returned to the city bikeway and highway funds may not be available for the same bike projects in future capital budgets.

¹⁹ According to DTS, funds were lapsed as a result of an administration decision not to proceed with design on a CIP project. The city administration is working with the State to reprogram the funds for another project.

Exhibit 3.3
Lapsed Funding (FY 2006 – FY 2014)

<i>Fiscal Year</i>	<i>Amounts Appropriated</i>	<i>Amount Expended/ Encumbered</i>	<i>Amount Lapsed</i>	<i>Funds Lapsed (%)</i>
2013-2014	\$1,054,000	\$700,120	\$353,880	33.57%
Post January 2013 Total	\$1,054,000	\$700,120	\$353,880	33.57%
2012-2013	\$1,343,600	\$1,035,567	\$308,033	22.93%
2011-2012	\$1,080,800	\$1,065,638	\$15,163	1.40%
2010-2011	\$2,256,000	\$993,735	\$1,262,265	55.95%
2009-2010	\$1,150,000	\$538,135	\$611,865	53.21%
2008-2009	\$1,001,000	\$886,312	\$114,688	11.46%
2007-2008	\$1,000,000	\$461,725	\$538,275	53.83%
2006-2007	DTS reports there was no CIP funding for Bicycle Projects in FY 07			
2005-2006	\$447,000	\$10,000	\$437,000	97.76%
Pre-January 2013 Total	\$8,278,400	\$4,991,112	\$3,287,288	39.71%
Total	\$9,332,400	\$5,691,232	\$3,641,168	39.02%

Source: Office of the City Auditor analysis of DTS contract and project files

DTS staff contend no formal de-obligation of the funds occurred and the funds do not expire, therefore the funds have not lapsed. DTS staff could not provide copies of any federal grants that show the federal funds do not expire. Federal and HDOT personnel responsible for distributing the bike grants stated although the funds have not been de-obligated, they were concerned the de-obligation could occur at any time.

DTS staff also stated city bikeway funds are not lost because the funds revert back to the city reserve funds for future use. DTS personnel could not ascertain that the city bike project funds returned to the city bikeway funds would be available for the same bike projects in future capital budgets.

DTS managers stated a portion of the lapsed funds were due to the projects coming under the estimated amounts and represented savings for the city. Had DTS project managers taken action to use the excess funds to start new projects or to reprogram the

funds for new projects that were authorized and listed in the O`ahu Bike Plan, the city could have maximized the use of the bike funds.

Improved Fiscal Fund and Project Controls Are Needed

Federal Grant Rules. As a sub recipient of federal funding, DTS is responsible for meeting all Federal requirements for grants and cooperative agreements. The Uniform Administrative Requirements for Grants and Cooperating Agreements (Common Grant Rule) requires that sub-recipients have adequate fiscal control to permit production of necessary reports, trace the source of funds to a particular expenditure or expenditures, and demonstrate compliance with applicable Federal laws and regulations.

The rule also requires the sub-recipient to properly document project activity, grant access to the records, and maintain these records for three years after the final expenditure report is submitted. The Common Grant Rule also includes after-the-grant requirements to ensure timely closeouts so that projects do not get labeled as inactive. Timely close outs also provides the benefit of releasing any remaining funds, which can be used to authorize new projects.

Hawai`i State Grant Rules. In addition to the federal grant rules, the Hawai`i's HDOT rules²⁰ state the city must maintain a system to set and track project milestone dates; review fiscal activity on a monthly basis; and maintain a list of all ongoing federal aid projects with a summary of project statuses. The city must also participate in HDOT project status meetings; over- the-shoulder review (OSR) meetings; meet with HDOT as requested; and provide HDOT monthly status updates as requested. If the project is funded by any economic stimulus related funds (such as the American Recovery and Reinvestment Act of 2009 - ARRA funds), a semi-monthly request for reimbursements is required.

The HDOT grant rules further state that HDOT and/or the FHWA may de-obligate the funds from the inactive project if the new project obligations are inactive for 12 months or more since the project was authorized. To avoid de-obligation, the city must provide reasonable justification for the inactivity or must take timely action to resolve the inactivity. To avoid inactivity, the city must bill to and claim federal reimbursement on a timely basis.

²⁰ Hawai`i Department of Transportation LPA Manual for Federal-Air Projects, Chapter 4: Project Management.

***State of Hawai`i reports
DTS and the city need to
improve compliance with
federal requirements***

HDOT managers reported DTS and city reimbursement requests are not timely and HDOT encountered problems with DTS and city compliance with federal requirements. Besides reporting untimely responses from DTS and the city, HDOT stated DTS and the city lacked a complete, consistent, accurate, reliable, and readily accessible paper trail or adequate documentation to support the reimbursement requests.

Inactive bike projects. As a result, HDOT reported some of the bike related projects were considered inactive. According to HDOT, if projects are classified as inactive, federal funds could be de-obligated and the city may lose the funding for the bike related projects. If HDOT places other projects on the inactive list, future funding for new bike projects might not occur.

For example, according to HDOT, the Hamakua Bikeway Improvements project was considered inactive as of August 2014 because no reimbursement request had been submitted since the funds were obligated in July 2013.²¹ Projects are considered inactive if funds have not been expended for more than 12 months. If this project was formally classified as inactive by HDOT, the city would be at risk of losing funds that could be used to complete other priority projects listed in the master bike plan.

***DTS and the city need to
improve compliance with
federal requirements***

DTS and other city staff did not have copies of the federal grant agreements and used the Form 1240 received from the HDOT to administer the federal funds. The Form 1240 did not contain the terms, conditions, or the expiration dates for the federal funds. The external auditor for the city recommended that the city review its grant agreements to identify all program requirements and implement procedures to ensure compliance with the grant terms and conditions.

Without copies of the grant agreements, DTS and the other city departments could not ensure compliance with the terms and conditions of the federal bike funds and grants. The importance of knowing the grant requirements is illustrated as follows.

²¹ Subsequent to the audit, DTS submitted reimbursements for Hamakua Drive Bikeway Improvements to HDOT. The project is no longer considered inactive and the latest payment to date was February 24, 2015.

On April 15, 2014, a HDOT letter sent to DTS listed additional conditions for all new and future projects. The FHWA established new conditions on federally funded projects as a result of the lack of timeliness with federally funded projects in recent years. The new conditions required that:

- a) A contract must be awarded within 120 days from obligation;
- b) The notice to proceed must be issued within 180 days from obligation;
- c) The project must be closed 365 days from final acceptance; and
- d) Quarterly reporting would be required for all federal aid construction projects.

If the new requirements were applied to the pre-January 2013 projects, the city bike projects would be considered noncompliant with the new federal rules. Exhibit 3.4 shows the amount of days between the construction authorization date and the notice to proceed date for three federally funded bike projects. The projects were all above 120 days from the contract award date to obligation of the federal funds, and over 180 days from the notice to proceed to obligation of federal funds date. The Kalaheo Avenue Shoulder Improvements project was the only project completed and exceeded 365 days between final acceptance and closeout date.

**Exhibit 3.4
Federally Funded Bike Project Timeline and Day Counts**

<i>Project</i>	<i>Construction Authorization/Obligation</i>	<i>Contract Awarded</i>	<i>Notice to Proceed (NTP)</i>	<i>Reported Closeout Date</i>	<i>Date of Final Payment</i>	<i>Total Days From Obligation to Contract Award</i>	<i>Total Days From Obligation to NTP</i>	<i>Total Days From Closeout Date to Date of Final Payment</i>
Kealaolu Avenue Shoulder Improvements	9/19/2012	4/30/2013	8/01/2013	-	-	223	316	-
Kalaheo Avenue Shoulder Improvements	9/22/2011	3/07/2012	9/04/2012	11/09/2012	8/20/2014	167	348	644
Civic Center Bike Path Improvements	9/07/2012	4/22/2013	9/09/2013	-	-	227	367	-

Source: Department of Transportation Services, State of Hawai'i Department of Transportation, and Office of the City Auditor

The example indicates that DTS and the other city departments need to obtain copies of the federal grants; need to ensure compliance with the grant terms and conditions; and need to improve the timeliness and management of its bike related projects. Failure to comply with federal timelines exposes DTS and the city to the potential loss of federal funding for its bike projects.

Besides the recently implemented FHWA conditions for reporting of all federal aid construction projects, the U.S. Office of Management and Budget (OMB) new guidance on *Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Title 2 of the Code of Federal Regulations and dubbed the “Super Circular”) established new requirements that affects all entities receiving and administering federal awards. After December 26, 2014, non-federal entities must strengthen oversight over federal funds to reduce risks of waste, fraud and abuse, and comply with other requirements for streamlining and reducing administrative burdens. To comply with the new requirements, DTS and city staff need to ensure that they maintain complete, consistent, accurate, reliable, readily accessible, and adequate documentation of project data, funding data, and project status information that comply with the quarterly and other reporting requirements for federally funded bike related projects.

Recommendations

The Managing Director and the Director of the Department of Transportation Services should:

10. Better manage bike-related funds received by the city by ensuring and providing complete, consistent, accurate, reliable, and readily available bike project and fund data to all project managers (including DTS, DDC, DFM, DPP project managers) involved with bike related projects.
11. Ensure bike fund databases include copies of the federal grant agreements, grant terms and conditions, grant and fund expiration dates, lapse dates, grant reporting requirements, and data that are complete, consistent, accurate, reliable, and readily available.
12. Ensure bike funds are used to attain city charter and bike plan goals, objectives, benchmarks, and priorities before the funds lapse or expire.

13. Establish policies and procedures for a formal and routine reconciliation of city, state, and federal bike funds to identify and quantify available bike funds before they lapse.
14. Establish formal processes for ensuring the city complies with federal grant, reporting, accounting, and document requirements.

Chapter 4

Conclusion and Recommendations

The City and County of Honolulu's mild year round climate, relatively flat coastal plain, and physical beauty make it ideal for bicycle transportation. Bike projects can transform the highly livable community and public spaces into a safe, convenient, accessible, and attractive form of transportation. The Department of Transportation Services (DTS) and other city departments play an important role in developing bicycling as an alternative mode of transportation. The city charter assigns DTS the priority to make the city bicycle friendly.

Prior to January 2013, DTS directors placed a low priority on completing bicycle projects. After January 2013, the new mayor priorities included *making Honolulu a bike-friendly city*. The newly appointed DTS Director subsequently initiated several actions and programs for making the city more bike friendly, including starting or completing 17 bike projects.²¹ By August 2014, 20 of the city's O`ahu Bike Plan two-year benchmarks were met and 5 of the 35 benchmarks were partially implemented. As a result of its recent efforts, the city was designated at the Bronze level by the League of American Bicyclists for a Bicycle Friendly Community. Most recently, the King Street Cycle Track pilot project was dedicated. The demonstration project is the city's first protected bike lane established to encourage safe bikeways and to make sidewalks safer for pedestrians. Some of the improved and new bikeways were created to support the new rail system and the transit oriented multi-modal transportation under development.

Despite these achievements, improved program administration is needed to achieve the city charter and O`ahu Bike Plan goals, objectives, and priorities. Our sample of 32 bike projects indicated that DTS and the city need to develop formal policies and procedures; standardize terminology and definitions; and better coordinate bike activities, plans, and projects among the four departments²² and many divisions involved with bike projects.

²¹ As of March 20, 2015, the DTS director reported four more Priority 1 projects were completed, and the 4.43 miles of bikeway improvements are available to the cycling community. These include 18th Avenue, Diamond Head Road (Paki Avenue to Fort Ruger Park), Makapu`u Avenue, and Monsarrat-Diamond Head Road (Kapahulu Avenue to Fort Ruger Park).

²² The Departments of Transportation Services (DTS); Design and Construction (DDC); Facilities Maintenance (DFM); and Planning and Permitting (DPP) are the major departments involved with bike projects.

Complete, consistent, accurate, reliable, and readily accessible project and funding data are also needed.

Based on our sample results, improved administration of bike funds is also needed. The Hawai`i State Department of Transportation administers the federal bike funds distributed to the city. The city bikeway and highway funds provide additional funds for bike projects. Improved fund administration will prevent the loss of use of the bike project funds. As of December 2014, we identified over \$3.64 million in bike related funds, grants, and appropriations that had lapsed or were at risk of lapsing. Prior to January 2013, over \$3.2 million in city and federal funds lapsed. After January 2013, over \$353,800 in bike funds lapsed.²³ Although the federal funds have not been de-obligated, HDOT states the funds can be de-obligated at any time. The external auditor reported a material weakness in the city's administration of federal funds and recommended that the city review its grant agreements to identify and comply with all federal grant requirements. Our sample results confirmed the need to improve compliance with federal grant and reporting requirements.

Recommendations

The Managing Director and the Director of the Department of Transportation Services should:

1. Establish formal written policies, procedures, terminology, and definitions for the bike program that will facilitate bike plan communications, bike project coordination, program administration, and successful implementation of the 2012 O`ahu Bike Plan.
2. The formal policies and procedures should provide DTS or an oversight body the authority to oversee, coordinate, monitor, and manage all bike projects among all city departments.
3. The O`ahu Bike Plan includes State of Hawai`i streets. The city should negotiate memoranda of agreements with the State of Hawai`i Department of Transportation (HDOT) that ensure

²³ DTS contends no formal de-obligation of the funds occurred and the funds do not expire, therefore the funds have not lapsed. DTS could not provide copies of any federal grants that show the federal funds do not expire. Federal and state personnel responsible for distributing the bike grants stated although the funds have not been de-obligated, they were concerned the de-obligation could occur at any time. City bike project funds returned to the city bike and highway funds may not be available for the same bike projects in future capital budgets.

the bike plan and complete streets ordinance requirements are implemented.

4. DTS should negotiate memoranda of agreements with other city departments that provide DTS or an oversight body the authority to implement bike projects identified in the O`ahu Bike Plan and bike projects related to the complete streets ordinance.
5. As appropriate, the city charter commission should consider amending the city charter to institutionalize the formal policies and procedures related to the bike projects.
6. Maintain complete, consistent, accurate and reliable bike project and funding data, and ensure bike project and funding data are consistent and readily available among project managers throughout the city that will help DTS and other city departments attain the city charter priority of making Honolulu a pedestrian and bicycle-friendly city.
7. Develop and ensure the database of bike projects includes project costs; project funds available, expended, and available; actual bike project costs; funding sources and amounts; fund expiration dates; fund lapse dates; fund requirements; project start and completion dates; and other data needed to efficiently and effectively manage all bike projects, funds, and progress in implementing the bike plan.
8. Use the database to increase accountability and measure the city's performance in attaining the O`ahu Bike Plan goals, objectives, and visions; and facilitate tracking, monitoring, administration, and evaluation of the city's progress in making Honolulu a bike-friendly city.
9. Use the database to ensure all city departments comply with the complete street ordinance requirements for bike and bikeway projects that will make Honolulu a bike-friendly city.
10. Better manage bike-related funds received by the city by ensuring and providing complete, consistent, accurate, reliable, and readily available bike project and fund data to all project managers (including DTS, DDC, DFM, DPP project managers) involved with bike related projects.

11. Ensure bike fund databases include copies of the federal grant agreements, grant terms and conditions, grant and fund expiration dates, lapse dates, grant reporting requirements, and data that are complete, consistent, accurate, reliable, and readily available.
12. Ensure bike funds are used to attain city charter and bike plan goals, objectives, benchmarks, and priorities before the funds lapse or expire.
13. Establish policies and procedures for a formal and routine reconciliation of city, state, and federal bike funds to identify and quantify available bike funds before they lapse.
14. Establish formal processes for ensuring the city complies with federal grant, reporting, accounting, and document requirements.

Management Response

The Department of Transportation was proactive in addressing many of the issues that emerged during the audit. During the review, we held discussions relating to the challenges of the bike program and the department took corrective actions. As a result, some of the recommendations were partially implemented prior to the release of the audit report.

The Managing Director, on behalf of the Department of Transportation Services, agreed with most of the recommendations. Our recommendation that the city charter commission consider amending the city charter to institutionalize policies and procedures related to the bike projects is addressed to the city charter commission. The transportation department commented that the recommendation to use a database of bike projects to ensure all city departments comply with the complete streets ordinance requirements for bike and bikeway projects may not ensure compliance with the ordinance. According to the department, a strong administration policy that supports Honolulu becoming a bicycle friendly city is also needed. We believe, however, that the database will facilitate coordination and transparency among the departments involved with the complete streets ordinance and any related bike projects.

The management response explains that \$353,800 in funds were allowed to lapse after January 2013 because the administration decided not to proceed with the projects. The city administration is working with the State of Hawaii to reprogram the funds for another project. Based on the management response, we updated

Exhibit 2.2 and made technical, non-substantive changes to the draft report for purposes of accuracy, clarity, and style.

We thank the Managing Director and the Departments of Transportation Services, Budget and Fiscal Services, and Design and Construction for their assistance and cooperation during this audit. A copy of the Managing Director's full response can be found on page 46.

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KIRK CALDWELL
MAYOR



HOY K. AMEMIYA, JR.
MANAGING DIRECTOR
GEORGETTE T. DEEMER
DEPUTY MANAGING DIRECTOR

April 7, 2015

Mr. Edwin S.W. Young, City Auditor
Office of the City Auditor
City and County of Honolulu
1001 Kamokila Boulevard, Suite 216
Kapolei, Hawaii 96707

Dear Mr. Young:

**SUBJECT: Comments on Final Draft Audit of the Funds Appropriated for
Bicycle Projects**

Thank you for the opportunity to review the final draft report on the Audit of the Funds Appropriated for Bicycle Projects ("bike audit"). We appreciate the hard work you and your staff put into the bike audit.

We also appreciate your recognition that the Caldwell administration placed a priority on making Honolulu a bicycle friendly city and many improvements in the bike program have occurred since January 2013. We recognize, however, the need for continued improvements in the City's bike program and to that end; we provide the following responses on the recommendations made in the bike audit report.

General Responses:

1. Since January 2013, the Department of Transportation Services (DTS), in addition to being an advocate for bike projects amongst city departments, has assisted other city departments in their bike project designs arrived at through a context sensitive solution consistent with the Complete Streets Ordinance.

2. Kapolei Parkway between Kama'aha and Kamokila Boulevard, while shown as existing in the 2012 Oahu Bike Plan, was completed by DTS in October 2014 and contains bike lanes in both directions on the separated parkway of approximately .4 miles in length.

3. Beginning in January 2013, Councilmember Menor approached DTS regarding resolution of an on-going dispute between the City and the West Loch Fairways Association (WLFA) which resulted in WLFA closing a bike path on WLFA

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property. DTS, partnering with the department of Facility Maintenance (DFM), Enterprise Services (DES) and Parks and Recreation (DPR), has entered into a tentative agreement with WLFA to take the bike path on WLFA property by way of easement, ensuring connectivity for bicyclists to the larger network of bike paths. The memorialized agreement is currently in final review by Corporation Counsel before formal presentation to WLFA for final review and execution.

4. Regarding city bikeway funds (140), when funds are not used and therefore lapse, the funds return to the bikeway fund and are available for future bikeway projects (although not necessarily the same bike project which may have been completed using less funds than originally appropriated).

5. Regarding federal funds administered through the state Department of Transportation (HDOT), DTS is in possession of the existing grant agreement executed in 1973 with HDOT regarding the use of federal highway administration (FHWA) funds. In fact, DTS and HDOT are currently executing an updated grant agreement, the terms of which were processed by DTS through Council for approval prior to execution. By letter dated February 25, 2015, HDOT directed use of the draft 2014 Memorandum of Agreement in the interim of its full execution. See Exhibit "A" hereto.

6. Regarding "inactive" federally funded projects which potentially subject funds to "de-obligation," DTS has been working with the FHWA regarding new processes to insure federal funds are expended in a timely manner. As noted in the audit, FHWA initiated a new 180-day rule on July 1, 2014, a rule which applies to both HDOT and the city for construction projects after July 1, 2014. This rule requires FHWA-funded projects to advance from authorization to Notice to Proceed (NTP) within 180 days or funds will be subject to de-obligation. Via letter dated February 3, 2015, the FHWA notified HDOT and the city that the FHWA will consider extensions of the 180-day deadline on a "limited, case-by-case basis." See Exhibit "B" hereto. Via letter dated March 31, 2015, the FHWA notified HDOT and the city that of the sixteen construction projects subject to the 180-day rule, nine projects met the 180-day rule and seven projects did not but were granted extensions. Of note, the only City and County of Honolulu project on the list was the Joint Traffic Management Center, a DTS project which but for a protest, would have achieved NTP within 180-days. As such, the JTMC project received an extension from the FHWA. Since the extension was granted, however, the protest has been resolved and the contract is being prepared for execution by the parties. Of significance, there are no DTS bike projects on the list. See Exhibit "C" hereto. DTS is committed to better management of federal funds and has been working collaboratively and proactively with HDOT and FHWA since 2013.

7. In late 2013, DTS initiated an internal tracking process for federally funded projects. DTS project managers now use a DTS-created form which requires weekly reporting of key dates, allowing management to track authorization, procurement,

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contracting, NTP, reimbursement requests and progress of the federally funded contracts through closure. DTS project manager's report to the DTS Deputy Director who oversees compliance with grant requirements. See Exhibit "D" hereto.

8. For the \$353,800 identified as lapsing after January 2013, these funds were lapsed as a result of an administration decision not to proceed with design on a CIP project that would not be programmed in the near-term for budgetary and policy reasons. DTS is currently working with the state to de-obligate the unexpended federal funds and reprogram them into an existing federally funded DTS project that is over-matched. This issue highlights the fact that funds may lapse for different reasons, including but not limited to cancellation of a project due to budget priorities and contract costs being less than pre-contract estimates.

9. Exhibit 2.2. For the bike projects that were cancelled before contracts were executed, bike costs should be "none" versus "unknown." See Rows 13, 19 and 20. For Row 3, Thomas Square, DTS has documentation evidencing costs incurred were \$108,252,90. See Exhibit "E" hereto.

10. As of March 23, 2015, the departments of Design and Construction (DDC), Planning and Permitting (DPP) and Facility Maintenance (DFM) have been directed to provide bike project data, including cost data, to DTS on an annual basis. In addition, all departments will now obtain discrete costing of bike project components of larger projects, such as repaving projects and/or new construction. See Exhibit "F" hereto.

Specific Responses (in the same order as Recommendations, pages 42 - 44):

1. *Establish formal written policies, procedures, terminology, and definitions for the bike program that will facilitate bike plan communications, bike project coordination, program administration, and successful implementation of the 2012 O'ahu Bike Plan.*

Agree. DTS will need to coordinate with DDC, DFM and DPP in the establishment of formal written bike policies and procedures. Target date: January 2016.

2. *The formal policies and procedures should provide DTS or an oversight body the authority to oversee, coordinate, monitor, and manage all bike projects among all city departments.*

Agree. The city will need to coordinate the oversight function with DTS, DDC, DFM and DPP. Target date: January 2016.

3. *The O'ahu Bike Plan includes State of Hawai'i streets. The city should negotiate memoranda of agreements with the State of Hawai'i Department of Transportation (HDOT) that ensure the bike plan and complete streets ordinance requirements are implemented.*

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Agree that HDOT and DTS should coordinate bike projects on Oahu so that maximum connectivity is achieved for bicyclists. The city will approach the State regarding the possibility of a Memoranda of Agreement regarding collaborative planning of bike projects. Target date: January 2016.

4. DTS should negotiate memoranda of agreements with other city departments that provide DTS or an oversight body the authority to implement bike projects identified in the O`ahu Bike Plan and bike projects related to the complete streets ordinance.

Agree that the oversight body designated by the city should negotiate memoranda of agreements with other city departments regarding bike projects. Target date: June 2016.

5. As appropriate, the city charter commission should consider amending the city charter to institutionalize the formal policies and procedures related to the bike projects.

This recommendation is addressed to the city charter commission and, as such, no agreement or disagreement, nor a target date, is required at this time.

6. Maintain complete, consistent, accurate and reliable bike project and funding data, and ensure bike project and funding data are consistent and readily available among project managers throughout the city that will help DTS and other city departments attain the city charter priority of making Honolulu a pedestrian and bicycle-friendly city.

Agree. All city departments need to maintain bike project data, including discrete funding and cost data and the oversight body should accumulate the bike project data and provide annual updates to the Oahu Bike Plan. Target date: January 2016.

7. Develop and ensure the database of bike projects includes project costs; project funds available, expended, and available; actual bike project costs; funding sources and amounts; fund expiration dates; fund lapse dates; fund requirements; project start and completion dates; and other data needed to efficiently and effectively manage all bike projects, funds, and progress in implementing the bike plan.

Agree. DTS tracks stand-alone bike project funds, but all city departments should track bike project funds, costs and project data, including but not limited to non-bike projects that include bikeway improvements as a component thereof for better management of bike projects. Target date: January 2016.

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8. *Use the database to increase accountability and measure the city's performance in attaining the O'ahu Bike Plan goals, objectives, and visions; and facilitate tracking, monitoring, administration, and evaluation of the city's progress in making Honolulu a bike-friendly city.*

Agree. Target date: January 2016.

9. *Use the database to ensure all city departments comply with the complete street ordinance requirements for bike and bikeway projects that will make Honolulu a bike-friendly city.*

The city Complete Streets Ordinance does not mandate the inclusion of bike projects in transportation facility projects, but rather requires the Directors of DTS, DFM, DDC and DPP to consider the inclusion of bike projects in transportation facility projects. As such, the use of a consistent bike project database across city departments, while beneficial, does not directly ensure compliance with the Complete Streets Ordinance. Rather, it is the Caldwell administration's strong policy supporting Honolulu becoming a bicycle pedestrian city and Complete Streets projects that ensures maximum progress towards Honolulu becoming a bicycle friendly city.

10. *Better manage bike-related funds received by the city by ensuring and providing complete; consistent, accurate, reliable, and readily available bike project and fund data to all project managers (including DTS, DDC, DFM, DPP project managers) involved with bike related projects.*

Agree. This recommendation is consistent with #7 preceding. As of March 23, 2015, DFM, DDC and DPP must report bike-related and bike project funds and costs data to DTS on a regular basis, but not less than annually.

11. *Ensure bike fund databases include copies of the federal grant agreements, grant terms and conditions, grant and fund expiration dates, lapse dates, grant reporting requirements, and data that are complete, consistent, accurate reliable, and readily available.*

Agree. DFM, DDC and DPP, absent a stand-alone grant application or bridge inspection funds for DDC, do not regularly process federal grant funds. DTS has the city's existing and draft grant agreement with HDOT which was processed through Council for execution. Since 2013, DTS has been working with HDOT and FHWA in tracking federal funds and DTS initiated an internal federal fund tracking process in 2013.

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12. *Ensure bike funds are used to attain city charter and bike plan goals, objectives, benchmarks, and priorities before the funds lapse or expire.*

Agree. The recommendation is a policy statement consistent with the Caldwell administration's current policy.

13. *Establish policies and procedures for a formal and routine reconciliation of city, state, and federal bike funds to identify and quantify available bike funds before they lapse.*

Agree. Tracking of federal funds through a formal review process began in DTS in late 2013. Both HDOT and FHWA have formal processes as well. The formal policies and procedures set forth in #1 will include policies and procedures regarding fund reconciliations as well. Target date: January 2016.

14. *Establish formal processes for ensuring the city complies with federal grant, reporting, accounting, and document requirements.*

Agree. Tracking of federal funds through a formal review process began in DTS in late 2013. Both HDOT and FHWA have formal processes as well. Processing of reimbursement requests also involves the department of Budget and Fiscal Services and the City will work with DTS and BFS to formalize federal grant reporting, accounting and document processing. Target date: January 2016.

Very truly yours,



Roy K. Amemiya, Jr.
Managing Director

Enclosures (6)

cc: Michael D. Formby, Director
Department of Transportation Services

Note: Exhibits referenced in this letter are not attached, but can be viewed online at: www.honolulu.gov/auditor.

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EXHIBIT A



RESOLUTION

AUTHORIZING THE DIRECTOR OF TRANSPORTATION SERVICES OR THE DIRECTOR'S DESIGNEE TO APPLY FOR, AND ACCEPT AND EXPEND, FEDERAL HIGHWAY ADMINISTRATION FUNDS AUTHORIZED BY 23 CFR PART 630 AND OTHER FEDERAL STATUTES ADMINISTERED BY THE FEDERAL HIGHWAY ADMINISTRATION FOR BRIDGE INSPECTION AND APPRAISAL.

WHEREAS, ROH Chapter 1, Article 8, Revised Ordinances of Honolulu 1990, as amended, requires that any intergovernmental agreement or any amendments thereto which places an obligation upon the City or any department or agency thereof shall require prior City Council consent and approval; and

WHEREAS, ROH Chapter 1, Article 8, also provides that, when carrying out the provisions of any intergovernmental agreement, all applications and/or amendments thereof, statistical data programs, reports or other official communications which support the application and which are required to be provided by the City or its component departments to any other governmental or quasi-governmental agency shall first be presented to the City Council for its review and approval prior to their transmittal; and

WHEREAS, the Federal Highway Administration (FHWA) is an operating administration of the United States Department of Transportation and administers the Federal-Aid Highway Program; and

WHEREAS, under the Federal-Aid Highway Program, the State Department of Transportation (State), is the grantee of FHWA funds for the State of Hawaii, and Hawaii's counties are sub-grantees, receiving the funds via the State; and

WHEREAS, when the State passes FHWA funds through to a sub-grantee county to carry out a federal-aid road project, it is the responsibility of the State to ensure that the sub-grantee complies with all federal and state laws and regulations that apply to the funding; and

WHEREAS, the State and the City have entered into a Memorandum of Agreement dated June 15, 1973 (the "1973 MOA"), a copy of which is attached hereto as Exhibit "A" and by reference made a part hereof, which sets forth the City's obligations as sub-grantee of the FHWA funds; and

WHEREAS, the acceptance of FHWA funds by the City as sub-grantee will impose certain obligations upon the City, including but not limited to those set forth in the 1973 MOA, and may require the City to provide the local share of project costs; and



RESOLUTION

WHEREAS, the City's request for FHWA funding (the "Request for Funding") is for Bridge Inspection and Appraisal (the "Project") attached hereto as Exhibit "B" and by reference made a part hereof; and

WHEREAS, the Director of the Department of Transportation Services (DTS) desires to submit the Request for Funding to the State on behalf of the City; and

WHEREAS, the Council approved the City's list of FHWA candidate projects, which included the Project, for consideration in the Federal Fiscal Years (FFYs) 2015-2018 Transportation Improvement Program (TIP); and

WHEREAS, the Oahu Metropolitan Planning Organization Policy Committee approved the FFYs 2015-2018 TIP; and

WHEREAS, the FFYs 2015-2018 TIP was allocated and approved by the State and FHWA and incorporated in the Statewide Transportation Improvement Program; and,

WHEREAS, if the State approves the City's Request for Funding for the Project, it will sign and submit a Form 1240.2 Request for Project Authorization, Agreement, and/or Modification ("Form 1240") to the FHWA. If FHWA approves the request, it will sign the Form 1240. The executed Form 1240 constitutes the project agreement between State and FHWA; and

WHEREAS, the executed Form 1240 will then be transmitted to the City and will constitute notice of approval of the grant; and

WHEREAS, the obligations of the City with respect to the grant are set forth in:

- (1) The 1973 MOA with the State;
- (2) The City's Request for Funding; and
- (3) Additional conditions that may be imposed by the State or the FHWA in the "State Comments" or "FHWA Comments" boxes on the Form 1240; and



RESOLUTION

WHEREAS, a standard State condition in the "State Comments" box on the Form 1240 is the incorporation of award terms set forth in the documents at the following links: <http://edocket.access.gpo.gov/2010/pdf/2010-22705.pdf> and <http://edocket.access.gpo.gov/2010/pdf/2010-22706.pdf>, said documents being rules of the U.S. Office of Management and Budget published in the Federal Register and relating to Reporting Subaward and Executive Compensation Information (2 CFR Part 170) and Universal Identifier and Central Contractor Registration (2 CFR Part 25) (the "Standard State 1240 Condition"); now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the Request for Funding for the Project, attached hereto as Exhibit "B," is hereby approved; and

BE IT FURTHER RESOLVED that the DTS Director or the Director's designee is authorized to submit the Request for Funding to the State on behalf of the City and County of Honolulu in substantially the form attached hereto as Exhibit "B"; and

BE IT FURTHER RESOLVED that if the State and the FHWA approve the request and an executed Form 1240 is transmitted to the City, the DTS Director or the Director's designee is authorized to accept and expend the funds if the only obligations of the City are those set forth in the above-described 1973 MOA, the City's Request for Funding, and the Standard State 1240 Condition; and

BE IT FURTHER RESOLVED that if the executed Form 1240 is made subject to any conditions, requirements, or obligations other than the 1973 MOA, Request for Funding, or Standard State 1240 Condition, the DTS Director shall not accept or expend the funds for the Project unless the additional conditions, requirements, or obligations have received the prior consent and approval of the Council; and



RESOLUTION

BE IT FINALLY RESOLVED that a copy of this Resolution be transmitted to the DTS Director at the Frank F. Fasi Municipal Building, 650 South King Street, 3rd Floor, Honolulu, Hawaii 96813.

INTRODUCED BY:

[Handwritten signature]
_____ (br)

DATE OF INTRODUCTION:

FEB 4 2015
Honolulu, Hawaii

_____ Councilmembers

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
HIGHWAYS DIVISION

STATE-COUNTY MEMORANDUM OF AGREEMENT
IMPLEMENTATION OF
SECONDARY ROAD PLAN PROJECTS

THIS AGREEMENT, made and entered into this 15th day of June, 1973, by and between the STATE OF HAWAII, by its Director of Transportation, hereinafter called the "STATE" and the CITY AND COUNTY OF HONOLULU, by its Mayor, hereinafter referred to as the "COUNTY."

W I T N E S S E T H T H A T :

WHEREAS, Section 117 of Title 23, U. S. Code established the Secondary Road Plan, hereinafter referred to as the "PLAN," and made the approved States responsible for the administration of all projects on the Federal-aid Secondary system and made the counties eligible to participate in the Secondary Road program; and

WHEREAS, the Congress of the United States has authorized federal funds to carry out the PLAN; and

WHEREAS, the parties to the Agreement deem it desirable to use such funds to undertake the improvement of routes now designated as being a part of the Secondary system; and

WHEREAS, the County recognizes the benefits the PLAN will provide and the Council of the City and County of Honolulu has adopted Resolution No. 146, dated June 12, 1973, to participate with matching county funds in this program; and

WHEREAS, under Federal regulations, it is desirable that the STATE execute an agreement with the local government to define the extent and nature of the responsibilities of each party;

NOW, therefore, in consideration of the benefits to be obtained from the PLAN, the STATE and the COUNTY do hereby mutually agree as follows:

SECTION 1. The parties do hereby approve and enter into this Agreement and to proceed in full accord with its provisions in the implementation of PLAN projects for the eligible Secondary roads of the COUNTY.

SECTION 2. The STATE is responsible to the Federal Government for the administration of the PLAN and will advise and assist the COUNTY as necessary and will review all work done in conjunction with the PLAN for conformance with STATE and Federal Highway Administration (FHWA) procedures.

SECTION 3. The COUNTY, in the initiation and accomplishment of improvements undertaken under this Agreement, is responsible for conformance with applicable policies, procedures, specifications and standards prescribed by the STATE and FHWA with respect to work financed with Federal funds. This shall include, but not be limited to, the following:

Planning and design requirements for projects, utility adjustments, equal employment opportunity, right-of-way procedure, labor provisions, authorization procedures, public hearings, environmental impact statements, force account procedures, and construction.

The COUNTY shall provide the administrative personnel and technical supervision to insure conformance, whether work is done by staff forces or by service contract. The attached State of Hawaii Highways Division Procedures 01-03-01, Federal-Aid Secondary Road Plan, and any amendment thereto, shall be made a part of this Agreement. The COUNTY is responsible for the maintenance and the use and regulation of the completed Federal-aid project in accordance with the standards and procedures established by the STATE.

SECTION 4. The STATE will maintain liaison with the COUNTY and FHWA through its Secondary Roads Engineer. Liaison with the FHWA on all COUNTY PLAN project matters will be provided by said Secondary Roads Engineer. The STATE will notify the COUNTY in writing of any new appointment to this position. The COUNTY shall appoint an officer on its staff to coordinate COUNTY functions with said Secondary Roads Engineer and shall notify the STATE in writing whenever a new appointment is made.

SECTION 5. The provisions of this Agreement shall apply to a secondary road project when the project or a phase of the project is financed with Federal-aid secondary funds.

SECTION 6. The STATE, upon being notified of its annual apportionment of Federal Secondary funds, shall determine the COUNTY'S allocation and notify the COUNTY of the amount available to it. Funds allocated to the COUNTY which are not programmed and obligated within one year after the close of the fiscal year for which they are authorized by Congress will be used by the STATE. Allocations formally declined by the COUNTY will also be used by the STATE. The STATE shall

maintain a record of the COUNTY allocation and the amount of Federal funds currently under obligation. This information shall be available to the COUNTY through the Secondary Roads Engineer.

SECTION 7. The term "PPM" as used hereinafter shall mean the "Policy and Procedure Memorandum" of the Federal Highway Administration. Revisions to the COUNTY secondary road system shall be made in conformance with the requirements of PPM 10-1. New mileage may be added to the system so long as the system mileage does not exceed what can be improved within a reasonable number of years and maintained with available expected income. The system should be expanded on a county-wide basis to meet the needs of the COUNTY for several years at a time. The COUNTY shall prepare the appropriate supporting data and justification for additions or revisions to the system. A priority of the routes to be added must be included in the request for addition to the system. The STATE and COUNTY shall concur in the proposed revisions or additions, justifications and order of priority before submission to the FHWA.

SECTION 8. PLAN projects shall be programmed and authorized before costs incurred can become eligible for Federal participating funds. Costs incurred before authorizations to proceed for each major phase of work are not eligible for reimbursement. The COUNTY shall prepare the necessary supporting data and justification for the project program submittal to the FHWA. The program submittal shall be prepared in conformance with the requirements of PPM 21-1. Only projects on approved routes will be considered for programming. Projects may be

programmed in one or two stages. As described in said PPM 21-1, Projects can be programmed in Stage 2 only if available Federal funds are sufficient to meet the estimated Federal share of project costs. The major phase or phases of a highway facility may be programmed as a project, i.e., preliminary engineering, rights-of-way, or construction, singly or in combination, can be considered as a project for programming. The COUNTY shall make the requests for programming and authorization to proceed to the STATE. Revisions to programs shall also be made in conformance with the requirements of PPM 21-1.

SECTION 9. Federal funds will be obligated when a major phase of work

- (a) is authorized to proceed by the FHWA after a project is programmed in Stage 2, or
- (b) was authorized in a Stage 1 program status and the project is advanced to a Stage 2 status.

The obligated amount will be the Federal Government's share of the programmed cost of the authorized phase. The obligated amount will reduce the balance of available Federal funds that may revert to the STATE if not obligated within the specified time. The COUNTY may advance a project to Stage 2 status only when it is ready to put the project under project agreement as described in the following Section 10.

SECTION 10. A project agreement can be entered into with the FHWA only after a project is programmed in Stage 2. Projects under project agreement are eligible for reimbursements of the Federal share of eligible costs. Requests to the FHWA for a project agreement or modification to a project agreement shall be made by the STATE in accordance with the requirements

of PPM 21-7. The COUNTY will be required to provide the necessary information to support the request for project agreement. The project agreement will cover the type of work to be undertaken, the effective date from which reimbursable costs may be incurred, the Federal participating ratio on eligible costs, the amount of Federal funds to be placed under agreement, maintenance responsibilities and other provisions relating to the project. The STATE will execute the agreement. The conditions of the agreement will be binding on the COUNTY.

SECTION 11. Federal funds apportioned to the STATE and not placed under project agreement status by the State within two years after the close of the fiscal year in which these funds are authorized by Congress will lapse. The COUNTY will plan its programs to avoid lapsing of the Federal funds allocated to the COUNTY. When it is determined that the obligated COUNTY Federal-aid funds may lapse, the STATE shall take whatever action necessary to prevent lapsing of these funds.

SECTION 12. Surveys, plans, specifications and estimates will be prepared by the COUNTY in conformance with the requirements and standards of the State of Hawaii Highways Procedures No. 01-03-01 for Federal-Aid Secondary Road Plan. The requirements include holding public hearings, securing location approvals, and preparing environmental statements. Progress and field reviews will be made by the STATE during the development of plans. Final plans, specifications and estimates will be approved by the STATE. The necessary clearances for Airways-Highways, Fish and Wildlife, Statewide Clearinghouse, rights-of-way certificates and others as required by PPMs, Notices, etc. will be submitted by the COUNTY.

The STATE shall authorize the COUNTY to proceed on design activities when federal funds are involved in the design work. If federal funds are not requested for design, the design work may be started by the COUNTY at any time. The COUNTY shall comply with the requirements of PPM 40-6 if it employs a consultant to make surveys and prepare plans. The COUNTY may request the STATE to prepare the plans and specifications if it is not properly staffed to do the work.

SECTION 13. The COUNTY shall acquire the rights-of-way for Federal-aid PLAN projects in accordance with the methods and procedures of the STATE Highways Division. Relocation plans will be submitted to the STATE for approval. Relocation assistance will be provided in accordance with STATE Highways Procedures. The STATE will give the COUNTY authorization to proceed with rights-of-way activities when Federal funds are involved in the acquisition of rights-of-way.

SECTION 14. A construction project must be programmed in Stage 2 and have received approval of plans, specifications and estimates before the STATE will authorize it for construction. The approval of plans, specifications and estimates will include acceptance of the required submittals of clearances, certificates, environmental statement, etc. by the STATE. The STATE shall advertise the project and shall open and review all bids. The award of the contract shall be made only when both the STATE and COUNTY concur and the FHWA approves the award. The COUNTY shall deposit its share of the contract cost and contingency amount with the STATE before the award is made. The COUNTY shall give the contractor notice to proceed. A project agreement for the construction phase can be executed

when the FHWA receives its copies of the executed construction contract. Claims for reimbursement on the Federal Government share of the costs incurred can then be made. On minor construction projects where the work is not suitable for competitive bid letting, the STATE may permit the COUNTY to submit a negotiated contract proposal for work to be done with COUNTY forces. The negotiated proposal must conform to the requirements of the Secondary Road Plan, Hawaii Highways Procedures.

SECTION 15. The COUNTY shall provide the construction engineering personnel necessary for the supervision and inspection of PLAN construction projects. Construction surveying and testing may be done by private surveyors and commercial testing concerns under contract or agreement subject to the prior approval of the STATE. The STATE may provide the inspectional personnel when the COUNTY is not able to or when construction is done by the COUNTY under a negotiated contract. The COUNTY shall follow STATE practices and procedures in inspection, testing and record keeping for the construction project. The final inspection of a completed construction project will be made by the STATE, COUNTY and FHWA. Final acceptance of a project shall occur when the STATE gives written notice to the COUNTY advising it of the satisfactory fulfillment of the contract.

SECTION 16. Construction engineering cost up to ten per cent (10%) of the contract cost may be eligible for Federal participation. The Federal share of the eligible construction engineering cost will be at the fifty per cent (50%) or applicable ratio.

SECTION 17. Progress payments for construction contract work shall be made to the contractor by the STATE. Progress

estimates will be submitted by the County to the STATE Highways Division's District Engineer for review. The Secondary Roads Engineer will approve estimates for payment. Payments will be made out of COUNTY funds deposited with the STATE and Federal funds. Payments to the contractor by the STATE will not be construed as obligating the STATE to advance the Federal share of the contract cost. Final payment will be made only after issuance of the written notice of final acceptance by the STATE to the COUNTY.

SECTION 18. After execution of a project agreement, reimbursements may be claimed for the appropriate expenditures made for a project. The COUNTY, by progress billing, can request Federal reimbursement of costs incurred by the County through the STATE. The billings must indicate the total costs incurred and the amounts requested for reimbursement. For a construction contract, Federal reimbursements will be applied to the payments to the contractor.

SECTION 19. Costs incurred by the STATE for providing services to the COUNTY to advance a project toward completion may be chargeable to the project. Costs incurred by the STATE for designing or staffing a COUNTY construction project will be chargeable to the project. STATE costs charged to a COUNTY project will be reimbursed to the STATE by the COUNTY or from Federal reimbursements before disbursement to the COUNTY. The COUNTY shall bear its share of the costs incurred for a PLAN project with the FHWA at the fifty per cent (50%) or applicable ratio. All STATE and COUNTY costs charged to a project but ruled ineligible for Federal participation shall be borne by the COUNTY. Ultimate determination for such eligibility rests with the FHWA.

Should the COUNTY withdraw a PLAN project from Federal-aid participation, all STATE costs charged to the project will be reimbursed to the STATE by the COUNTY.

SECTION 20. Neither the STATE nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason for anything done or omitted to be done by the COUNTY under or in connection with any work, authority or jurisdiction delegated to the COUNTY, under this Agreement. It is also understood and agreed that the COUNTY shall to the extent permitted by law fully indemnify and hold the STATE harmless from any liability imposed for injury occurring by reason of anything done or omitted to be done by the STATE under or in connection with any work, authority or jurisdiction not delegated to or not covenanted to be done by the COUNTY under this agreement.

SECTION 21. The COUNTY shall keep records of costs of construction and engineering incidental to the planning, design, inspection, supervision of construction and testing in a manner which will enable the STATE to report, upon request of the FHWA, the amounts and nature of expenditures for these purposes. These records and all supporting data will be subject to inspection at all times by the authorized representatives of the FHWA and STATE and copies of the documents shall be furnished upon request.

SECTION 22. After final acceptance of a project, the COUNTY shall render a final financial statement to the STATE showing cost of construction, incidental costs, Federal participation and COUNTY share.

SECTION 23. Records and documents shall be kept by the COUNTY for final audit. The STATE will audit project costs

in accordance with the practice for auditing all Federal-aid projects. Files shall be kept in accordance with the requirements and retention schedule of PPM 30-9 for not less than the periods specified.

SECTION 24. Completed projects constructed with Federal-aid monies shall be maintained by the COUNTY in accordance with the standards established by the STATE. Use and preservation of these highway rights-of-way shall be in accordance with the requirements of Section 1.23, Title 23, Code of Federal Regulations, Highways, and with the "Rules and Regulations Relating to the Accommodation and Installation of Utilities on State Highways and Federal-Aid Secondary County Highways, State of Hawaii."

The COUNTY shall administer the issuance of permits in accordance with procedures established by the STATE. Requests for nonconforming permit work must receive STATE approval. New utility installations that are to be made within the rights-of-way of Federally-funded projects will be in accordance with the provisions of PPM 30-4.1 and STATE regulations. The use of the rights-of-way will be reasonably regulated by the COUNTY in accordance with a satisfactory utility accommodation policy and under the terms of a use and occupancy agreement as provided by PPM 30-4.1 and STATE regulations. If a Federal-aid project is not properly maintained, the COUNTY will be given written notice to remedy the existing condition. If corrective action is not taken within ninety days, the STATE may withhold the programming of any further Federal-aid projects until the project is returned to a reasonable condition of maintenance to the satisfaction of the STATE.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

STATE OF HAWAII

By E. Alvey K. Knight
Director of Transportation

CITY AND
COUNTY OF Honolulu

APPROVED AS TO
CONTENTS:
By [Signature]
Department of Public Works

By [Signature]
Its Mayor

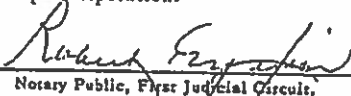
APPROVED AS TO FORM

[Signature]
Deputy Attorney General

[Signature]
Deputy Corporation Counsel

STATE OF HAWAII }
CITY AND COUNTY OF HONOLULU } ss.

On this 15th day of June, 19 73, before me appeared Frank F. Fasi to me personally known, who, being by me duly sworn, did say that he is the Mayor of THE CITY AND COUNTY OF HONOLULU, a municipal corporation, and that the seal affixed to said instrument is the corporate seal of said municipal corporation, and that the instrument was signed and sealed in behalf of said municipal corporation by authority of its City Council, and said Frank F. Fasi acknowledged the instrument to be the free act and deed of said municipal corporation.



Notary Public, First Judicial Circuit,
State of Hawaii.

PW-L2A-1

My commission expires 11-15-73

REQUEST FOR AN FHWA GRANT AGREEMENT

Project Description and Justification

For

OC 3, Bridge Inspection and Appraisal
City and County of Honolulu, Oahu, Hawaii

Pursuant to 23 CFR Subpart C, Section 650, bridge inspections and appraisals are required to ensure the structure continues to satisfy current service requirements and standards.

Federal financial participation is requested for the following:

Consultant Services

Inspection, inventory and appraisal of 106 bridges.
Cost Estimate: \$800,000

Force Account (County Review)

Program and contact administration including, program planning and coordination with Federal, State and County agencies.
Cost estimate: \$80,000

State Review

Hawaii DOT project staff time for administrative and technical support, and management oversight.
Cost estimate: \$20,000

County matching and front-end funds provided in its Fiscal Year 2015 OP Budget. Project will be administered by the Department of Design and Construction (DDC), Civil Division (CD).

HAWAII DEPARTMENT OF TRANSPORTATION
HIGHWAYS DIVISION

Detail Estimate For
A Federal-Aid Project Agreement

For

OC 3, Bridge Inspection and Appraisal
City and County of Honolulu, Oahu, Hawaii

	<u>TOTAL COST</u>	<u>PAR COST</u>	<u>FEDERAL SHARE 80.00%</u>	<u>COUNTY SHARE 20.00%</u>
Prgm Code L110 @ 80%				
Improvement Type 40 - Special Bridge				
Consultant	\$800,000	\$800,000	\$640,000	\$160,000
County Review	\$80,000	\$80,000	\$64,000	\$16,000
State Review	\$20,000	\$20,000	\$16,000	\$4,000
TOTAL PROJECT	\$900,000	\$900,000	\$720,000	\$180,000

PROGRAM DATA									
STATE OF HAWAII									
DEPARTMENT OF TRANSPORTATION									
HIGHWAY DIVISION									
EMERG	DEMO	COUNTY		STANDARD	STATE		ITEM NO.		
YR	ID	NAME	CODE	PLACE CODE	NAME	CODE	PROJECT OVERSIGHT		
		Honolulu County	003	17000C	Hawaii	15	State Administered		
		PROJECT NUMBER		AGR. NO.	On NHS / Full FHWA oversight				
		PREFIX LETTER(S)	NUMBER		Not on NHS/Full FHWA oversight				
		BR	NBIS		NAME OF URBAN AREA				
		APPROPRIATION CODE	PARENT CODE	RURAL/URBAN	Honolulu				
		FUNCTIONAL SYSTEM	FEDERAL-AID SYSTEM	Urban	CONGRESSIONAL DISTRICT				
		Local	Not on any federal-aid system		1 and 2				
ESTIMATED PROJECT COST BY PHASES									
	PARTICIPATING AMOUNT	FEDERAL FUNDS (80%)	COUNTY FUNDS (20%)	OTHER FUNDS	SCOPE OF PROPOSED WORK				
	\$900,000	\$720,000	\$180,000		Preliminary engineering for the inspections and appraisals of 106 bridges under county jurisdiction on the island of Oahu, including consultant services, City review, and State DOT review.				
	\$900,000	\$720,000	\$180,000	\$0					
us City and County of Honolulu Bridges									
ANTICIPATED ENVIRONMENTAL CLEARANCE (CLASS OF ACTION)									
EIS _____ CATEGORICAL EXCLUSION: EA _____ X PROGRAMMATIC - 23 CFR-771.176(X) FONSI _____ STATE DOCUMENTED - 23 CFR 771.176(d)									

CITY AND COUNTY OF HONOLULU
DEPARTMENT OF DESIGN AND CONSTRUCTION

BRIDGE INSPECTION, INVENTORY AND APPRAISAL I, FY 2015
FEDERAL-AID PROJECT NO. BR-NBIS()

	STRUCTURE NO.	BRIDGE NO.	BRIDGE NAME	FEATURE INTERSECTED
1	003062091400213	101	N. BERETANIA ST BRIDGE	NUUANU STREAM
2	003083261400006	102	KIKOWAENA ST BRIDGE	MOANALUA STREAM
3	003083981400003	104	N. HOTEL ST BRIDGE	NUUANU STREAM
4	003109001200001	109	KALIHI ST BRIDGE NO. 2	KALIHI STREAM
5	003083211400072	110	KALIHI ST BRIDGE NO. 1	KAMANAIKI STREAM
6	003083451400011	113	NALANIEHA ST BRIDGE	KALIHI STREAM
7	003062081400134	117	N. KING ST BRIDGE NO. 2	KAPALAMA CANAL
8	003122001200001	122	ALA AOLANI ARCHED CULV	MOANALUA STREAM
9	003123001200001	123	N. KUKUI ST BRIDGE	NUUANU STREAM
10	003124001200001	124	LAULANI ST BRIDGE	KAMANAIKI STREAM
11	003126001200001	126	ALA AOLANI ST BRIDGE NO. 1	MOANALUA STREAM
12	003127001200001	127	ALA AOLANI ST BRIDGE NO. 2	MOANALUA STREAM
13	003128001200001	128	ALA AOLANI ST BRIDGE NO. 3	MOANALUA STREAM
14	003129001200001	129	NUMANA RD BRIDGE	KALIHI STREAM
15	003131001200001	131	ALA AOLOA LOOP BRIDGE	MOANALUA STREAM
16	003138001100001	138	PINEAPPLE PL BOX CULV	MANAIKI STREAM
17	003062071400140	147	DILLINGHAM BLVD BRIDGE	KAPALAMA CANAL
18	003148001200001	148	KALIHI ST BRIDGE NO. 3	KALIHI STREAM
19	003062081400218	150	N. KING ST BRIDGE NO. 1	NUUANU STREAM
20	003062081400037	151	N. KING ST BRIDGE NO. 3	KALIHI STREAM
21	003083321400031	152	N. KUAKINI ST BRIDGE NO. 1	NUUANU STREAM
22	003083321400019	153	N. KUAKINI ST BRIDGE NO. 2	WAOLANI STREAM
23	003154001200001	154	NAIO ST BRIDGE	NUHELEWAI STREAM
24	003083631400271	155	N. SCHOOL ST BRIDGE NO. 1	NUUANU STREAM
25	003083631400093	156	N. SCHOOL ST BRIDGE NO. 2	KALIHI STREAM
26	003083681400001	157	WYLLIE ST BRIDGE	WAOLANI STREAM
27	003209001100001	209	FERN ST BRIDGE	MAKIKI STREAM
28	003083401400011	227	McCULLY ST BRIDGE	ALA WAI CANAL
29	003083041400055	270	DATE ST BRIDGE	MANOA-PALOLO DRAINAGE CANAL
30	003083181400074	285	KALAKAUA AVE BRIDGE	ALA WAI CANAL
31	003304001200001	304	HAWAII KAI DR BRIDGE	HAWAII KAI DR/KUAPA POND
32	003312001200001	312	KAHALA AVE BRIDGE NO. 2	KAPAKAHI STREAM
33	003083061400136	334	SAINT LOUIS DR BRIDGE	PALOLO STREAM
34	003376001200001	376	HALELOA PL BRIDGE	KULIOUOU STREAM
35	003378001200001	378	LA'I RD BRIDGE NO. 1	PUKELE STREAM
36	003379001200001	379	LA'I RD BRIDGE NO. 2	PUKELE STREAM
37	003380001200001	380	LA'I RD BRIDGE NO. 3	PUKELE STREAM
38	003382001200001	382	10 TH AVE PLACE BRIDGE	WAIOMAO STREAM
39	003401001100001	401	AHAOLELO RD BRIDGE NO. 1	KAHALUU WPP A-1 CHNL
40	003402001100001	402	MAKAKALO ST 4-CELL BOX	DRAINAGE DITCH
41	003403001100001	403	AHILAMA RD BOX CULV	N. WAIHEE STREAM
42	003405001100001	405	AHUIMANU RD BRIDGE	KAHALUU WPP A-1 CHNL
43	003411001100001	411	KAWAILOA RD BRIDGE	KAELEPULU STREAM
44	003083601400098	418	KAM HWY BRIDGE	KEAAHALA STREAM
45	003008360800242	419	KAM HWY BRIDGE	HEEIA STREAM
46	003083601400059	450	KAM HWY BRIDGE	KANEOHE STREAM
47	003460001200001	460	AHUIMANU PL BOX CULV	DRAINAGE CHNL
48	003466001100001	466	HUI AEKO ST BOX CULV	HUI AEKO ST/DRAIN CHNL
49	003484001100001	484	LULUKU RD TRIPLE BOX CULV	LULUKU RD/KANEOHE STREAM
50	003485001100001	485	MELEKULA RD BRIDGE	KAHALUU-STREAM
51	003488001100001	488	KEOLU DR BRIDGE NO. 3	KEOLU DR/KEOLU HILL CHNL
52	003495001200001	495	AHILAMA RD BOX CULV	WAIHEE STREAM

CITY AND COUNTY OF HONOLULU
DEPARTMENT OF DESIGN AND CONSTRUCTION

BRIDGE INSPECTION, INVENTORY AND APPRAISAL II, FY 2015
FEDERAL-AID PROJECT NO. BR-NBIS()

	STRUCTURE NO.	BRIDGE NO.	BRIDGE NAME	FEATURE INTERSECTED
1	003427001100001	427	KEOLU DR BRIDGE NO. 2	HELU DRAINAGE CHNL
2	003429001100001	429	KUMUHAU ST BRIDGE	WAIMANALO STREAM
3	003430001100001	430	AHIKI ST 4-CELL BOX NO. 1	DRAINAGE DITCH
4	003431001100001	431	AHIKI ST 4-CELL BOX NO. 2	DRAINAGE DITCH
5	003432001200001	432	NAKINI ST BRIDGE	MULWAI OLENA CHNL
6	003437001100001	437	MAUNAWILI RD BRIDGE NO. 3	MAUNAWILI STREAM
7	003438001200001	438	HULI ST BOX CULV	WAIMANALO DRAINAGE CHNL
8	003440001100001	440	ALALOA ST BRIDGE	HEEIA STREAM
9	003443001100001	443	WAILELE RD BRIDGE	KEEHALA STREAM
10	003447001100001	447	KAPOO ST BOX CULV	KAPUNAHALA STREAM
11	003448001100001	448	KENEKE ST BOX CULV	KAPUNAHALA STREAM
12	003807001100001	807	MALIONA ST BOX CULV	MAILI CHNL M-4
13	003902001100001	902	FARRINGTON HWY BRIDGE NO. 3	FARR HWY/PALEHUA STREAM
14	003903001100001	903	WAIPIO PT ACC RD BRIDGE NO. 1	WAIPIO ACC RD/RR RAW
15	003904001100001	904	FARRINGTON HWY BOX CULV	MAKAKILO GULCH
16	003905001100001	905	ANANIA DR BRIDGE	ANANIA DR/WAIAHOLE DITCH
17	003072001400318	906	MOANALUA RD BRIDGE	AIEA STREAM
18	003072001400258	909	MOANALUA RD BOX CULV	KALAUAO STREAM
19	003072001400159	910	MOANALUA RD BRIDGE	WAIMALU STREAM
20	003067001400301	911	SALT LAKE BLVD BRIDGE	HALAWA STREAM
21	003083661400002	915	WAIPAHU ST BRIDGE NO. 3	DRAINAGE CANAL NO. 3
22	003918001100001	918	KOMO MAI DR BRIDGE NO. 2	KOMO MAI DR/WAIMANO STREAM
23	003072001400235	919	MOANALUA RD BRIDGE	KAONOHI STREAM
24	003083661400001	920	WAIPAHU ST BRIDGE NO. 1	DRAINAGE CANAL NO. 1
25	003072001400041	921	MOANALUA RD BRIDGE	WAIMANO STREAM
26	003922001100001	922	FARRINGTON HWY BRIDGE	FARR HWY/HONOULIULI STREAM
27	003923001100001	923	FARRINGTON HWY BRIDGE NO. 1	FARR HWY/KALOI GULCH
28	003924001100001	924	FARRINGTON HWY BRIDGE NO. 2	FARR HWY/HUNEHUNE STREAM
29	003928001100001	928	KIHALE ST BRIDGE	KIHALE ST/KALAUAO STREAM
30	003929001100001	929	KOMO MAI DR BRIDGE NO. 1	KOMO MAI DR/PC DRAIN CHNL
31	003072001400140	930	MOANALUA RD BRIDGE	PUNANANI CHNL
32	003933001100001	933	ULUNE ST DBLE-BOX CULV	ANOUNOU ST/AIEA STREAM
33	003944001100001	944	HOOLAULEA ST BOX CULV	PEARL CITY DRAINAGE DITCH
34	003949001100001	949	LEOKANE ST TRIPLE-BOX CULV	LEOKANE ST/WAIPAHU STREAM
35	003950001100001	950	LEONU I ST TRIPLE-BOX CULV	LEONU I ST/WAIPAHU STREAM
36	003953001100001	953	PAIWA ST TRIPLE-BOX CULV	PAIWA ST/WAILANI STREAM
37	003955001100001	955	WAIHAU ST DBLE-BOX CULV	WAIHAU ST/WAIPIO CHNL NO. 1
38	003956001100001	956	WAIPUKA PL DBLE-BOX CULV	WAIPUKA PL/WAIPIO CHNL NO. 1
39	003076001400581	958	FORT WEAVER RD BRIDGE	HONOULIULI STREAM
40	003083661400104	961	WAIPAHU ST ARCH BRIDGE	WAIKELE STREAM
41	003967001100001	967	WAINIHI ST DBLE-BOX CULV	WAINIHI ST/WAIPIO CHNL NO. 1
42	003968001100001	968	HONOWAI ST BRIDGE	HONOWAI ST/WAIPAHU STREAM
43	003973001100001	973	KOMO MAI DR DBLE 120" CMP	DRAINAGE CHNL
44	003974001100001	974	KOMO MAI DR BOX CULV	DRAINAGE CHNL
45	003975001100001	975	MEHEULA PARKWAY BOX CULV	WAIHOLE DITCH
46	003976001100001	976	KUAHELANI AVE BOX CULV	DRAINAGE CHNL
47	003980001100001	980	WAIHONA PL BRIDGE	WAIWA STREAM
48	003983001100001	983	HIAPO ST OVERPASS	CANE HAUL RD
49	003991001100001	991	PALAHIA ST EXTENSION BRIDGE	AWANUI STREAM
50	003994001100001	994	LANIKUHANA AVE BRIDGE	WAIHOLE DITCH
51	003995001100001	995	HALAWA CRUSHER RD BRIDGE	HALAWA STREAM
52	003996001100001	996	MANAGER'S DR BOX CULV	DRAINAGE CHNL
53	003401401200001	4014	MAHIKU PL BOX CULV	DRAINAGE DITCH
54	003401601100001	4016	ALAWIKI ST BOX CULV	DRAINAGE DITCH

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
CERTIFICATE

RESOLUTION 15-27

Introduced: 02/04/15

By: ERNEST MARTIN (BR)

Committee: TRANSPORTATION

Title: RESOLUTION AUTHORIZING THE DIRECTOR OF TRANSPORTATION SERVICES OR THE DIRECTOR'S DESIGNEE TO APPLY FOR, AND ACCEPT AND EXPEND, FEDERAL HIGHWAY ADMINISTRATION FUNDS AUTHORIZED BY 23 CFR PART 630 AND OTHER FEDERAL STATUTES ADMINISTERED BY THE FEDERAL HIGHWAY ADMINISTRATION FOR BRIDGE INSPECTION AND APPRAISAL.

Voting Legend: * = Aye w/Reservations

02/12/15 TRANSPORTATION CR-64 – RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION.

02/18/15 COUNCIL CR-64 AND RESOLUTION 15-27 WERE ADOPTED.
9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MARTIN, MENOR, OZAWA, PINE.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.



GLEN TAKAHASHI, ACTING CITY CLERK



ERNEST Y. MARTIN, CHAIR AND PRESIDING OFFICER

DEPARTMENT OF TRANSPORTATION SERVICES
CITY AND COUNTY OF HONOLULU

850 SOUTH KING STREET, 3RD FLOOR
HONOLULU, HAWAII 96813

Phone: (808) 768-8305 • Fax: (808) 768-4730 • Internet: www.honolulu.gov

1-7
FILE COPY

PLEASE RETURN TO DTS

KIRK CALDWELL
MAYOR



MICHAEL D. FORMBY
DIRECTOR

MARK N. GARRITY, AICP
DEPUTY DIRECTOR

TP2/14-550789.1

May 28, 2014

MEMORANDUM

TO: The Honorable Kirk Caldwell, Mayor

VIA: Ember Lee Shinn, Managing Director

Donna Y.L. Leong, Corporation Counsel
Department of the Corporation Counsel

Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

A handwritten signature in blue ink, appearing to read "Michael D. Formby", is written over the printed name of the Director.

FROM: Michael D. Formby, Director
Department of Transportation Services

SUBJECT: State-County Memorandum of Agreement Draft Authorizing Resolution for Execution of Intergovernmental Agreement

Attached for your review and appropriate action is a draft resolution relating to a State-County Memorandum of Agreement for implementing federal-aid highway projects and programs between the City & County of Honolulu and the State of Hawaii, Department of Transportation.

Your expeditious reviews are requested in order that the draft resolution can be submitted to the City Council on Monday, June 16, 2014. The schedule assumes that the draft resolution will be considered at the June 26, 2014, Committee on Intergovernmental Affairs and Human Services meeting and later to be adopted by the City Council on July 9, 2014.

DEPARTMENT OF TRANSPORTATION SERVICES
CITY AND COUNTY OF HONOLULU

850 SOUTH KING STREET, 3RD FLOOR
HONOLULU, HAWAII 96813
Phone: (808) 788-8305 • Fax: (808) 788-4730 • Internet: www.honolulu.gov

KIRK CALDWELL
MAYOR



MICHAEL D. FORMBY
DIRECTOR
MARK N. GARRITY, AICP
DEPUTY DIRECTOR

May 28, 2014

The Honorable Ernest Y. Martin
Chair and Presiding Officer
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

RECEIVED
CITY CLERK
C & C OF HONOLULU
2014 JUN -3 PM 1:20

Dear Chair Martin and Councilmembers:

**SUBJECT: State-County Memorandum of Agreement Draft Authorizing Resolution
for Execution of Intergovernmental Agreement**

Attached for your review and appropriate action is a draft resolution relating to a State-County Memorandum of Agreement for implementing federal-aid highway projects and programs between the City and County of Honolulu and the State of Hawaii, Department of Transportation.

The schedule assumes that the draft resolution will be considered at the June 26, 2014, Committee on Intergovernmental Affairs and Human Services meeting and later to be adopted by the City Council on July 9, 2014.

We ask for your early and favorable consideration of our request.

Very truly yours,


Michael D. Formby
Director

Attachment

APPROVED:


Ember Lee Shinn
Managing Director



RESOLUTION

AUTHORIZING THE MAYOR OR MAYOR'S DESIGNEE TO APPLY FOR FUNDS FROM THE STATE OF HAWAII RELATING TO FEDERAL-AID HIGHWAY PROGRAMS FOR CITY PROJECTS AND PROGRAMS BETWEEN THE CITY AND COUNTY OF HONOLULU (CITY) AND THE STATE OF HAWAII, DEPARTMENT OF TRANSPORTATION (STATE) AND TO ENTER INTO THE STATE-COUNTY MEMORANDUM OF AGREEMENT WITH THE STATE.

WHEREAS, Chapter 1, Article 8, Revised Ordinances of Honolulu 1990, as amended, requires that any intergovernmental agreement or any amendments thereto which places an obligation upon the City or any department or agency thereof shall require prior City Council consent and approval; and

WHEREAS, Chapter 1, Article 8, Revised Ordinances of Honolulu 1990, as amended, also requires that, when carrying out the provisions of any intergovernmental agreement, all applications and/or other official communications which support the application and which are required to be provided by the City or its component departments to any other governmental or quasi-governmental agency shall first be presented to the City Council for its review and approval prior to their transmittal; and

WHEREAS, Title 23, United States Code and other related federal laws authorize federal funds to carry out federal-aid highway programs for City projects; and

WHEREAS, the State, as the grantee of federal highway transportation funds is responsible for ensuring that all such federal transportation funds are expended in accordance with applicable laws and regulations; and

WHEREAS, when the State provides federal highway transportation funds to the City to carry out federal-aid road projects, it is the responsibility of the State to ensure that the City is aware of all federal and state laws and regulations that apply to the project and that the City complies with them in order not to jeopardize federal and/or local funding; and

WHEREAS, the City recognizes that to be eligible to receive such federal transportation funds from the State, it must comply with all federal and state laws and is subject to complying with such conditions and requirements that may be placed upon it by the State; and

WHEREAS, this Agreement will involve certain obligations upon the City, and may require the City to provide local share of costs; and



RESOLUTION

WHEREAS, this Agreement replaces and updates the 1973 State-County Memorandum of Agreement Implementation of Secondary Road Plan Projects; and

WHEREAS, this Agreement mutually benefits the State and City by providing consistent guidelines, procedures, and processes; identification of requirements; and defines the roles and responsibilities of the State and City; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City and County of Honolulu that the Mayor or his designated representative is hereby authorized to:

1. Execute the State-County Memorandum of Agreement for Implementation of County Federal-Aid Highway Projects and Programs Between the City and County of Honolulu and the State of Hawaii, Department of Transportation attached hereto and incorporated herein as Exhibit 1; and
2. Execute any incidental or related agreements and documents in furtherance of the project agreement so long as such agreements and documents do not incur additional obligations on the part of the City; and
3. Make minor or editing changes, provided that no substantive additions or deletions are made; and



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. _____

RESOLUTION

BE IT FINALLY RESOLVED that the Clerk is directed to transmit certified copies of this resolution to the Mayor and the DTS Director and Director of Transportation, State of Hawaii, Department of Transportation, 869 Punchbowl Street, Room 509, Honolulu, Hawaii 96813.

INTRODUCED BY:

DATE OF INTRODUCTION:

Honolulu, Hawaii

Councilmembers

**STATE-COUNTY MEMORANDUM OF AGREEMENT
IMPLEMENTATION OF COUNTY FEDERAL-AID HIGHWAY PROJECTS AND
PROGRAMS**

This AGREEMENT, made and entered into this ____ day of _____, 20____, by and between the State of Hawaii by its Governor, hereinafter referred to as the "STATE", and the City and County of Honolulu, County of Hawaii, the County of Maui, and the County of Kauai, individually hereinafter referred to as the "COUNTY", hereinafter collectively referred to as the "PARTIES."

WITNESSETH THAT:

WHEREAS, Title 23, United States Code ("Title 23") and other related federal laws authorize federal funds to carry out Federal-aid highway programs for COUNTY Federal-aid roads; and

WHEREAS, the STATE, as the grantee of federal transportation funds for the State of Hawaii ("SOH"), is responsible for ensuring that all such federal transportation funds are expended in accordance with applicable laws and regulations; and

WHEREAS, when the STATE passes federal transportation funds through to a subgrantee COUNTY to carry out a federal-aid road project, it is the responsibility of the STATE to ensure that the subgrantee is aware of all federal and state laws and regulations that apply to the project and that the subgrantee complies with them in order not to jeopardize federal and/or local funding; and

WHEREAS, the PARTIES to this AGREEMENT deem it desirable to use such funds to undertake improvements on such COUNTY roads; and

WHEREAS, the COUNTY recognizes the benefits that the Federal-aid highway programs will provide; and

WHEREAS, the COUNTY recognizes that to be eligible to receive such federal transportation funds from the STATE as a subgrantee, it must comply with all federal and state laws and is subject to complying with such conditions and requirements that may be placed upon it by the STATE; and

WHEREAS, the PARTIES recognize the benefits of this AGREEMENT which provides: consistent guidelines, procedures, and processes; identification of requirements; and defines the roles and responsibilities of each party.

NOW, THEREFORE, in consideration of the benefits to be obtained from the various Federal-aid highway programs, the PARTIES do hereby mutually agree as follows:

SECTION 1 - AGREEMENT. The PARTIES agree to enter into this AGREEMENT to proceed in full accord with its provisions in the implementation of COUNTY Federal-aid projects for eligible roads and activities. The provisions of this AGREEMENT shall apply to eligible COUNTY projects or activities financed with Federal-aid funds under Title 23, or non-Title 23 projects financed with federal discretionary (earmarked) funds.

SECTION 2 – COUNTY’S RESPONSIBILITY. The COUNTY is responsible to provide administrative personnel and technical supervision to insure that the initiation, development, implementation, and performance reporting of all eligible activities financed by federal transportation funds under this AGREEMENT are done in conformance with: all applicable federal laws, regulations, policies, circulars and standards prescribed by the Federal Highway Administration (“FHWA”) or the United States government; all applicable SOH laws, rules, policies and standards; all applicable COUNTY ordinances and regulations; and all procedures, specifications or other documents approved by the STATE and/or FHWA. Eligible activities include, but are not limited to the following activities of COUNTY federal-aid projects: planning, environmental, design, rights-of-way (“ROW”), utility adjustments and accommodations, equal employment opportunity, labor provisions, accounting procedures, public hearings, and construction administration.

SECTION 3 – STATE’S RESPONSIBILITY. The STATE is responsible to the federal government for the administration of Federal-aid projects and programs and will review, advise, approve, and assist the COUNTY with conformance to STATE and FHWA procedures. The STATE may provide technical support to the COUNTY in the form of training, reviews and procedures, and will process approval requests in a reasonably timely manner as to not unreasonably delay COUNTY projects as required on behalf of the COUNTY.

Delegation of certain Title 23 approval actions to the STATE are specified in the LETTER OF AGREEMENT AND STEWARDSHIP PLAN (STEWARDSHIP AGREEMENT) between the STATE and FHWA attached in APPENDIX J for reference. COUNTY projects or activities may fall under the oversight of the STATE and/or FHWA, depending on the scope, size, financing method, contracting method, risk, or unusual circumstances and will be subject to the appropriate approval actions by the STATE and/or FHWA.

Interim procedures to implement this AGREEMENT are provided in the attached appendices to this AGREEMENT during the interim period when the Local Public

Agency Manual ("LPA Manual") is being developed by the STATE.¹ Such interim procedures shall apply until replaced by written agreement of the PARTIES to replace the same by the LPA Manual.

SECTION 4 – POINTS OF CONTACT. The COUNTY shall designate a qualified full-time public employee to be responsible and serve as the overall Point of Contact ("POC") for federal undertakings conducted under this AGREEMENT. The designated COUNTY POC shall coordinate project development and implementation activities with the appropriate STATE POCs listed in APPENDIX A. The POC list in APPENDIX A shall be updated periodically as required due to changes in personnel or functions as required.

SECTION 5 – FEDERAL FUNDING LEVELS. The STATE, based upon anticipated annual apportionment of federal funds to the SOH and based on prevailing federal laws or regulations as applicable, shall establish a multi-year budgetary estimate of federal funds to be made available to the COUNTY. Federal funding levels will also consider historical amounts provided to the COUNTY; the COUNTY's past performance, current capacity, and ability to effectively deliver projects; and the COUNTY's priorities and needs. Based on the estimated federal funding levels and the COUNTY's ability to provide the local matching funds, the COUNTY will develop and submit a multi-year prioritized program of its needs. The PARTIES shall work collaboratively to develop a program that includes the COUNTY's prioritized projects into the fiscally constrained Statewide Transportation Improvement Program ("STIP") and/or Transportation Improvement Plan ("TIP") as described in SECTION 6 below.

To avoid lapsing of obligation authority and to provide the STATE adequate time to plan for and utilize such funds, the COUNTY shall strive to submit all projects for obligation no later than May 31st of any given Federal fiscal year. In the event the COUNTY is unable to submit all 100% plans, specifications or estimates ("PS&Es") by May 31st to fully obligate its share of funds for that Federal fiscal year, the STATE may reallocate such anticipated unobligated amounts after consultation with the COUNTY to other projects. The COUNTY shall endeavor to notify the STATE as early as possible regarding the possibility or certainty that the COUNTY will be unable to obligate its share of Federal funds.

SECTION 6 – PLANNING AND PROGRAMMING OF PROJECTS. With the exception of SOH planning and research² activities or emergency relief

¹ The LPA Manual developed by the STATE will provide detailed: instructions, procedures, samples and timelines for COUNTY to use and follow in implementing Federal-aid projects and ensuring that federal requirements are fulfilled.

projects³, all projects and/or programs must be listed on the STIP and/or TIP to be eligible to receive federal funds and before federal funds can be obligated.

In response to the STATE's call for projects in preparing the STIP, the COUNTY shall submit a multi-year prioritized program to the STATE identifying the proposed project(s) and/or programs being requested to be placed into the STIP. For the island of Oahu, appropriate coordination shall be made through the Oahu Metropolitan Planning Organization ("OMPO"). Prior to requesting inclusion of a project and/or program onto the STIP and/or TIP, the COUNTY shall ensure that the project and/or program is consistent with appropriate planning documents and that roadways are functionally classified as appropriate to be eligible for federal funds.⁴ Requests to include projects on roadways not yet functionally classified, but with active ongoing classification activities will be reviewed individually by the STATE and FHWA on a case-by-case basis.

Requests to include a new or modify, amend, delete or replace an existing project or program on the STIP and/or TIP shall be submitted to the STATE within the deadlines and format specified by the STATE (and to be specified in the LPA Manual). In addition, appropriate coordination for Oahu projects shall be made through OMPO.

For the development, update, or modifications to the STIP and/or TIP, the COUNTY shall work within federal funding levels provided for its program as described in SECTION 5 to maintain financial constraint. The COUNTY may elect to utilize Advance Construction described in APPENDIX B to maximize the use of funds, with the understanding of associated risks.

SECTION 7 – OBLIGATION OF FEDERAL FUNDS. Upon inclusion of applicable projects or programs in the STIP/TIP, the COUNTY will submit a request to the STATE to obligate federal funds. Obligation requests shall be submitted by the COUNTY, then received and processed by the STATE in accordance with APPENDIX C. The obligation amount represents FHWA's estimated share of eligible cost for the project (or program) and will be reflected in a Federal Project Agreement between the STATE and FHWA. To provide

² SOH planning and research ("SPR") activities is a program to research new knowledge areas; adapt findings to practical applications by developing new technologies; and transfer these technologies, including the process of dissemination, demonstration, training, and adoption of innovations by users. The use of SPR funds by States and subrecipients is regulated by Title 23 Code of Federal Regulations, Part 420.

³ Emergency relief projects are unplanned projects typically caused by natural disasters or sometimes man-made causes requiring immediate response, clean-up and restoration of affected roadways and highways. Some typical causes for emergency relief projects are: flooding events, earthquakes, rockfalls, or overpass damage by overheight freight movements.

⁴ Federal earmarking for projects by the U.S. Senate Appropriations Committee may sometimes waive certain Title 23 eligibility requirements such as functional classification. The STATE may assist the COUNTY in determining eligibility requirements.

flexibility and to maximize the use of federal funds, if permitted by County ordinances or policies, the COUNTY may request the use of advance construction as described in APPENDIX B.

All COUNTY Federal-aid projects must be authorized by FHWA by means of a signed project agreement before any costs incurred can become eligible federal participating activities. Costs incurred before authorization to proceed are not eligible for federal reimbursement.

Federal project agreement modification requests to obligate additional funds or deobligate (decrease) federal funds will be submitted by the COUNTY, then received and processed by the STATE in accordance with APPENDIX D.

SECTION 8 – PROJECT MANAGEMENT, CONSTRUCTION ADMINISTRATION, AND QUALITY ASSURANCE. For each project undertaken under this AGREEMENT, the COUNTY shall assign a qualified full-time COUNTY employee serving as project POC and responsible for the project overall on behalf of the County. The project POC shall be responsible for managing and monitoring the project to completion and closeout. The project POC shall report on the status of each phase of work to the STATE on a periodic basis as identified in accordance with APPENDIX E.

The COUNTY shall provide adequate resources to provide supervision, inspection, and materials sampling and testing for all construction projects under this AGREEMENT. Such activities may be performed by COUNTY forces or consultant services and shall be in accordance with APPENDIX J.

SECTION 9 – FEDERAL REIMBURSEMENTS. In an effort to ensure the expenditure of federal funds in a timely manner, the COUNTY shall endeavor to submit requests for reimbursements in accordance with APPENDIX F.

SECTION 10 – PROJECT CANCELLATIONS, WITHDRAWALS, “10-YEAR RULE”. If the COUNTY, during the course of implementing a project, elects to withdraw or cancel the project, the COUNTY shall reimburse all federal funds expended on that project. COUNTY reimbursements for cancelled or withdrawn projects shall be made in accordance with the process outlined in APPENDIX F. If the COUNTY elects to withdraw from further federal participation, but the County intends to complete the project using non-federal funds, a meeting shall be held between the COUNTY, STATE and FHWA in a timely manner to determine COUNTY reimbursement requirements.

In accordance with 23 Code of Federal Regulations (“CFR”) 630.112(c)(2), in the event that right-of-way acquisition or actual construction of the project has not

started by the close of the tenth (10th) fiscal year from which a project has been authorized for preliminary engineering, the COUNTY may be required to repay FHWA any reimbursed funds.

SECTION 11 – STATE’S REVIEW COSTS. The cost of services rendered by the STATE for the review of the COUNTY’s construction plans, specifications, estimates, environmental documentation, or other preconstruction work shall be reimbursed to the STATE by the COUNTY within 45 days upon receipt of invoice from the STATE. In addition to preconstruction work, the COUNTY shall reimburse the STATE for review and oversight administration of construction projects. Such reimbursements from the COUNTY will be processed in accordance with APPENDIX F.

SECTION 12 – DESIGN, CONSTRUCTION ADVERTISEMENT, AWARD AND NOTICE TO PROCEED. The COUNTY shall expeditiously undertake all design activities to meet schedules and goals in accordance with APPENDIX G.

Upon completion of design, obligation of federal funds, and authorization to advertise and receive bids, the COUNTY shall expeditiously advertise, receive bids, evaluate bids and award the construction projects. These activities shall occur as soon as possible and within timelines specified in any FHWA imposed conditions for obligation of funds. The COUNTY shall submit bid, bid evaluation and related documents to the STATE for review and concurrence. Upon receiving the STATE’s concurrence, the COUNTY shall expeditiously award and issue notice to proceed to the contractor. See APPENDIX J for interim procedures.

SECTION 13 – UTILITIES AND RIGHT OF WAY (“ROW”). Utility relocations and accommodations shall be in accordance with Hawaii Revised Statutes 264-33 and 264-33.5, and with Title 19, Subtitle 4, Chapter 105 - Accommodation and Installation of Utilities on State Highways and Federal-Aid County Highways, State of Hawaii dated May 30, 1981. Utility agreements, memorandum of agreements, memorandum of understanding, or letter of agreement, or other similar instruments as appropriate, shall be executed with the respective utility owners during the course of constructing, relocating, or removing utilities within the right-of-way and shall specify the terms of construction, use, occupancy and cost sharing.

ROW acquisitions, management, disposals and transfers shall be performed in accordance with 23 CFR Part 710 and 49 CFR Part 24 as outlined in APPENDIX I.

SECTION 14 – MAINTENANCE OF FEDERAL AID ROADWAYS.

Projects constructed with Federal-aid funds shall be maintained by the COUNTY in accordance with Section 116 of Title 23 and 23 CFR Section 1.27.

Preservation and use of these highway rights-of-way, including new utility installations, shall be in accordance with 23 CFR Section 1.23, and with the Accommodation and Installation of Utilities on State Highways and Federal-Aid County Highways described above. Such roadways shall meet standards and performance targets established under the new authorization act, Moving Ahead for Progress in the 21st Century ("MAP-21").

SECTION 15 – RECONCILIATION OF EXPENDITURES AND

REIMBURSEMENTS. Upon completion of all programmed phases of a project using Federal-aid funds and final acceptance of work issued by the COUNTY, the COUNTY shall render a final financial statement to the STATE showing the final cost of planning, design, right-of-way acquisition, construction, and other incidental costs incurred and paid by the COUNTY and federal funds reimbursed to the COUNTY. The final financial statement shall clearly show the total cost, federal share, COUNTY's share, and any other's share of funds.

SECTION 16 – AUDITS, INDIRECT COST AND RECORDS RETAINAGE.

The COUNTY shall ensure that the single audit requirement for each fiscal year is met under the Office of Management and Budget ("OMB") Circular A-133. A copy of the audit report and associated Management Letter⁵ comments (auditor to the COUNTY) shall be provided to the STATE. The COUNTY shall issue a management plan of action to address each Federal audit finding which requires corrective action or other response within six months after receipt of the audit report and ensure that appropriate and timely corrective action is taken. See APPENDIX F for interim procedures.

SECTION 17 – COMPLIANCE WITH LAWS. All PARTIES shall observe and comply with all laws, ordinances, rules, and regulations now or hereafter made by the federal, state, and local governments with respect to actions performed in connection with this AGREEMENT. The PARTIES may voluntarily agree to more stringent requirements than those set by laws, however it is understood that such voluntary agreement may not be legally binding or enforceable.

SECTION 18– INDEMNIFICATION. The STATE shall be responsible to the extent permitted by law, for damages or injury caused by the STATE'S officers and employees in the course of their employment related to this

⁵ A Management Letter is a letter from the auditor to the auditee that highlights observations, findings and may provide recommendations. This letter typically accompanies the audit report.

AGREEMENT to the extent that the STATE'S liability for such damage or injury has been determined by a court or otherwise agreed to by the STATE, and the STATE shall pay for such damage and injury to the extent permitted by law, provided that funds are appropriated and allotted for that purpose.

The COUNTY shall cause its contractor and/or consultant to indemnify, defend, and hold harmless the STATE and its officers, employees, and agents from and against actions, liabilities, claims, suits, damages, liens, judgments, attorney fees and costs arising out of or resulting from the acts or omissions of the COUNTY's contractor and/or consultant occurring during or in connection with the performance of services and obligations under this AGREEMENT provided that the COUNTY's contractor and/or consultant shall not be required to indemnify, defend, or hold harmless, the STATE, its officers, employees, and agents, from any actions, liabilities, claims, suits, damages, liens, judgments, attorney fees and costs when such arises out of the action or omission of the STATE and/or its officers, employees, and agents in conjunction with this AGREEMENT.

For activities not performed by the COUNTY's contractor and/or consultant, the COUNTY shall indemnify, defend, and hold harmless the STATE and its officers, employees, and agents from and against actions, liabilities, claims, suits, damages, liens, judgments, attorney fees and costs arising out of or resulting from the acts or omissions of the COUNTY, its officers, employees, or agents occurring during or in connection with the performance of services and obligations under this AGREEMENT provided that the COUNTY shall not be required to indemnify, defend, or hold harmless, the STATE, its officers, employees, and agents, from any actions, liabilities, claims, suits, damages, liens, judgments, attorney fees and costs when such arises out of the action or omission of the STATE and/or its officers, employees, and agents in conjunction with this AGREEMENT.

SECTION 19 – SEVERABILITY. If any provision of this AGREEMENT is judged by a court of competent jurisdiction to be void, invalid, illegal or unenforceable for any reason, the same shall in no way affect, to the maximum extent permissible by law, other provisions of this AGREEMENT, or the application of such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this AGREEMENT as a whole; and to the extent necessary, this AGREEMENT shall be construed as if the void, invalid, illegal or unenforceable provision had never been contained herein.

SECTION 20 – WAIVERS AND REVISIONS. Any waiver of the terms, conditions, or provisions of this AGREEMENT, or a party's right or remedies under this AGREEMENT, must be in writing to be effective. Waiver requests

shall be by letter from the COUNTY's Transportation Director (or equivalent) to the STATE's Director of Transportation.

Failure, neglect, or delay by a party to enforce the terms, conditions or provisions of this AGREEMENT or such party's rights or remedies at any time will not be construed as a waiver of such party's rights under this AGREEMENT and will not in any way affect the validity of the whole or any part of this AGREEMENT or prejudice such party's right to any subsequent action. No exercise or enforcement by any party of that party's rights or remedies under this AGREEMENT will preclude the enforcement by such party of any of its other rights or remedies available under this AGREEMENT or by law.

PARTIES may request proposed changes or updates to the various provisions contained in this AGREEMENT in writing. The STATE will review and consult with all other COUNTY as required, and if all PARTIES support and agree that such changes will result in mutual benefits to everyone, the PARTIES will amend this AGREEMENT to reflect such changes.

SECTION 21 – DISPUTE RESOLUTION. In the event any dispute arises between the COUNTY and the STATE concerning any aspect of this AGREEMENT, the COUNTY and the STATE will use their best efforts to address and resolve such disputes and the parties in dispute agree to negotiate within twenty-eight (28) calendar days of receipt of a letter describing the nature of the dispute and referencing the applicable paragraph of this AGREEMENT. The meeting will be held at a mutually agreed location, or if desired, by videoconference between the applicable program managers with the COUNTY and the STATE. In the event the matter is not resolved by such negotiations within twenty-eight (28) calendar days of this initial meeting, the parties in dispute agree to escalate the matter to the COUNTY's Chief Engineer and the State Highways Administrator. If the matter is not resolvable within twenty-eight (28) days from submittal, the parties in dispute further agree to submit the matter to the COUNTY's Director of Public Works (or Director of Transportation Services, as applicable) and the STATE's Director of Transportation for resolution.

To the extent permitted by law, the parties in dispute may elect to use a mutually agreed third party mediator. Each party will pay for its own attorney and witness fees. Fees and costs of the mediation service will be awarded by the mediator as the mediator determines appropriate. To the extent permitted by law, if no award is made, fees and costs of the mediator shall be shared equally by the parties in dispute.

SECTION 22 – TERM OF AGREEMENT. Unless otherwise terminated in writing by the PARTIES, this AGREEMENT shall be effective for a period of ten

(10) calendar years from the date of this AGREEMENT. The PARTIES may agree to extend the term of this AGREEMENT by written amendment of this AGREEMENT.

CITY & COUNTY OF HONOLULU

By _____
Kirk Caldwell
Mayor

RECOMMEND APPROVAL:

Michael D. Formby, Director
Department of Transportation Services

Date: _____

Approved as to form and legality:

Corporation Counsel
City and County of Honolulu

Date: _____

STATE OF HAWAII

Recommended by:

Ford Fuchigami
Interim Director of Transportation

Approved:

Neil Abercrombie
Governor

Approved as to form:

Deputy Attorney General

Date: _____

Feb. 5, 2014

APPENDIX A – STATE & COUNTY POINT OF CONTACTS (POCS)

STATE OF HAWAII

Type of Activity	Contact	Phone Number and email address
Overall Local Public Agency Agreement	Robert Miyasaki , HWY-A (Project Coord & Tech Services Branch Head)	(808) 587-2347 Robert.Miyasaki@hawaii.gov
LPA Manual	Mike Medeiros , HWY-AP (Section Head)	(808)587-2336 Mike.Medeiros@hawaii.gov
Statewide Transportation Improvement. Program (TIP/STIP)	Patrick Tom , HWY-PA (STIP Manager)	(808)587-6355 Patrick.Tom@hawaii.gov
Obligation of Federal Funds City & County of Honolulu Kauai, Maui, Hawaii	Kam Kin Sin , HWY-SM	(808)587-2226 Kam.Kin.Sim@hawaii.gov
Submission of Single Audit & Related Documents	Scot Urada , HWY-SM (Federal Program Engineers) Renee Lin , HWY-SF (Federal Aid Accountant)	(808)587-2222 Scot.T.Urada@hawaii.gov (808)587-2196 Renee.T.Lin@hawaii.gov
Design Procedures and Project Reviews	Marshall Ando , HWY-D (Design Branch Head)	(808)692-7559 Marshall.Ando@hawaii.gov
Consultant Procurement		
Right of Way	Dean Yogi , HWY-R (Rights of Way Manager)	(808)692-7325 Dean.Yogi@hawaii.gov
Roadway Jurisdiction and Maintenance	Jamie Ho , HWY-C (Construction & Maintenance Branch Head)	(808)587-2185 Jamie.Ho@hawaii.gov
Construction Administration Hawaii Maui Kauai Oahu	Sal Panem , HWY-H (Hawaii District Engineer) Ferdinand Cajigal , HWY-M (Maui District Engineer) Ray McCormick , HWY-K (Kauai District Engineer) Pratt Kinimaka , HWY-O (Oahu District Engineer)	(808)933-8620 Sal.Panem@hawaii.gov (808)873-3535 Ferdinand.Cajigal@hawaii.gov (808)241-3006 Raymond.J.McCormick@hawaii.gov (808)831-6703 Pratt.Kinimaka@hawaii.gov

Construction Procedures	Blaine Kawamura , HWY-CC (Construction Engineer)	(808)587-2630
Materials Testing & Certification	Casey Abe , HWY-L (Materials Testing Branch Head)	(808)483-2515

COUNTY MAIN POINT OF CONTACT	Contact	Phone Number and email address
County of Hawaii	Ben Ishii (Division Chief Engineer)	(808)961-8423 bishii@co.hawaii.hi.us
County of Maui	Cary Yamashita (Division Chief Engineer)	(808)270-7430 Cary.Yamashita@co.maui.hi.us
City & County of Honolulu	Deputy Director	(808)768-8304
County of Kauai	Larry Dill (County Engineer)	(808)241-4996 ldill@kauai.gov

Feb. 5, 2014

APPENDIX B –ADVANCE CONSTRUCTION

To maximize the use of funds and to maintain financial constraint in the STIP and/or TIP, the COUNTY may consider using the benefits of advance construction, with the understanding of the associated risks. Attention is directed to 23 CFR Part 630.106(c).

Unless otherwise specified by the COUNTY, the STATE may convert advance construction balances to regular obligation and give this a higher priority over other new or unfunded projects shown in the COUNTY's program during the current working fiscal year.

Feb. 5, 2014

APPENDIX C – INTERIM PROCEDURES FOR OBLIGATION OF FEDERAL FUNDS

Upon receipt of the COUNTY's request, the STATE will prepare and process REQUEST FOR PROJECT AUTHORIZATION, AGREEMENT, AND/OR MODIFICATION ("PR-1240") for FHWA's approval and authorization for the obligation of federal funds for the project or program. Upon authorization and approval by FHWA, the STATE will transmit an advance copy of the authorized and approved PR-1240 by email to the applicable contacts listed below, followed by the final hard copy through the mail.

Receipt of an advance copy of the approved PR-1240 for construction obligation of federal funds does not automatically imply or represent an approval to advertise the project. In addition to the satisfactory completion of PS&E, the COUNTY may advertise the project for bids only after receipt of the original hard copy of the STATE's transmittal of the FHWA approved PR-1240 with a cover letter containing and listing any applicable conditions that must be satisfied prior to project advertisement.

With the exception of advance construction or other items stated in 23 CFR 630.106 (c)(1) – (4), the execution of a PR-1240 with FHWA's authorization to proceed as evidenced by appropriate FHWA signatures on the PR-1240 shall be considered as contractual obligation of the Federal government under Title 23 Section 106 for federal funding and reimbursements. For exceptions listed in 23 CFR 630.106 (c)(1) – (4), the federal authorization to proceed is not a commitment or obligation to provide federal funds for that portion of the undertaking not fully funded in accordance with 23 CFR 630.106(d).

The COUNTY may request consideration of (flexible) soft matching of previously purchased or donated lands, consultant services, materials or funds in accordance with 23 U.S.C. Section 120 and Section 323. Such requests shall be substantiated by proper appraisal and accounting documentation and will be reviewed by the STATE and approved by FHWA. All approvals of soft (flexible) match shall be provided by letter. Refer to APPENDIX H for additional information on consultant service fees and soft matching.

For the obligation of project *planning* funds, aside from the project phase shown in the approved TIP or the STIP, there is no prerequisite for the COUNTY to complete prior project phases or project activities that are approved by the STATE or FHWA. Requests to obligate project planning funds shall be submitted to the STATE's Federal Program Engineer at the Highways Division Staff Services Office ("HWY-SM") along with the necessary documents specified by the STATE.

For the obligation of design funds where the design work scope includes; preliminary engineering, environmental coordination and consultation, preparing environmental clearance documents, and performing final design, the obligation of such project activities requires the project design phase to be shown in the approved TIP or the STIP. Typical projects are those with anticipated federal categorical exclusion environmental clearance.

For typically larger or more complex projects where a planning phase resulting in an environmental impact statement or a 'major' environmental assessment is performed, the obligation of *final project design* funds will occur upon the completion of the federal environmental requirements such as the National Environmental Protection Act ("NEPA") in accordance with 23 CFR Part 771, Section 106 of the National Historic Preservation Act, Section 4(f) of the Department of Transportation Act, Section 6(f) of the Land and Water Conservation Act, Section 7 of the Endangered Species Act, and Hawaii Revised Statutes (HRS) Chapter 343 and 6E, as applicable, and the design phase of the project must be on the approved TIP and/or STIP.

Requests to obligate project design funds shall be submitted to the STATE's Federal Program Engineer at HWY-SM along with the documents specified by the STATE.

Obligation of Right of Way ("ROW") funds may occur in 2 phases: pre-ROW and final acquisition.

- Federal funds for pre-ROW may be used for any ROW acquisition activities with the exception of negotiating and making offers to property owners or negotiating and making offers for relocations. Obligation of Pre-ROW funds is not contingent upon completion of NEPA.
- Federal funds for final acquisition may be used for the purchase of property interest (easement, license, title, access), or for the payment of relocations. Obligation of funds to be used for final acquisition will occur upon completion of NEPA.

Additionally, the pre-ROW and/or ROW phase of the project must be shown in an approved TIP and/or STIP. Requests to obligate ROW funds shall be submitted to the STATE's Federal Program Engineer at HWY-SM along with the documents specified by the STATE.

Obligation of construction funds for design-bid-build or design-build projects may be requested upon completion of the following items:

- Listing the project phase on the approved TIP and/or STIP,
- Appropriate environmental clearances for the project in accordance with 23 CFR Part 771 and HRS 343, and written approval by FHWA,
- ROW certification prepared in accordance with 23 CFR 710.311 for acquisitions as required by 23 CFR 636.309. For design-build projects (23 CFR 710.313) a ROW certification in accordance with 23 CFR 309(p),

- PS&E, design exceptions, project checklists, reports, Request for Proposals ("RFP"), and other applicable documents have been reviewed and approved by the STATE and/or FHWA.

Obligation of design and/or construction funds for Emergency Relief ("ER") projects may be requested upon completion of the following items:

- Preparation of Detailed Damage Inspection Reports ("DDIR") by the COUNTY and submitted to the STATE and FHWA,
- Completion of site visit with STATE and FHWA,
- FHWA acknowledgement of emergency event,
- FHWA approval of submitted DDIRs,
- Agreement and understanding of 100% immediate work items and 80% permanent work items appropriately documented in the DDIR.
- ER construction projects competitively bid (in most cases for permanent repairs) shall be subject to the same requirements described in the preceding paragraph for appropriate environmental clearances, ROW certification, and approved PS&Es.

Requests to obligate construction funds shall be submitted to the STATE's Federal Program Engineer at HWY-SM along with the documents specified by the STATE.

DISTRIBUTION OF PR-1240s (ADVANCE COPIES)

County	Contact	Email address
City & County of Honolulu	Primary: Deputy Director Secondary: Merle Loui-Sakamoto	mgarrity@honolulu.gov mloui@honolulu.gov
County of Hawaii	Primary: Ben Ishii Secondary: Alan Simeon	bishii@co.hawaii.hi.us asimeon@co.hawaii.hi.us
County of Maui	Primary: Cary Yamashita Secondary: Rodrigo Rabara	Cary.Yamashita@co.maui.hi.us Rodrigo.Rabara@co.maui.hi.us
County of Kauai	Primary: Larry Dill Secondary: Lyle Tabata	ldill@kauai.gov ltabata@kauai.gov

Feb. 5, 2014

APPENDIX D – INTERIM PROCEDURES FOR PROJECT AGREEMENT MODIFICATIONS

For agreement modifications involving the obligation of additional or the reduction of Federal funds, the COUNTY shall provide the following to the STATE in writing:

- Requested amount,
- Reason for the cost change,
- For project cost increases, confirmation that the increase is for the original project purpose and need. For project cost decreases, reason(s) for decrease along with a revised project estimate,
- For modification to a construction project, a revised Detail Estimate Summary Sheet,
- Schedule when adjustments to funds must be completed,
- Confirmation that any cost increase will not be applied to any previously completed work already paid for by the FHWA and thus considered as double payment,
- STATE's District Construction Engineer's approval (for construction change orders), and
- FHWA's approval, when required.

For COUNTY design project requests will be submitted to the STATE's Project Manager overseeing the COUNTY's Federal Aid project. For COUNTY construction projects, requests will be submitted to the STATE's construction engineer overseeing the COUNTY's construction program.

For cost increases to previously obligated and ongoing projects, the funds to be added to the project do not need to be shown on the STIP if the project scope is not expanded beyond the original purpose and need, and the amount is within established thresholds for administrative STIP amendments. Provided that funds are for eligible purposes, the obligation of funds under these circumstances does not require any prior STIP amendments.

If the additional funds expands the project beyond the original purpose and need (example: adding ¼ mile of paving beyond the original limits, or adding a traffic signal for safety or operational improvements that was not part of the original scope), or if the amount of funds to be added exceeds established thresholds for administrative STIP amendments, the STIP shall be amended to show the additional funds to be added. A non-administrative STIP amendment shall be completed and approved by FHWA and Federal Transit Administration ("FTA") before additional funds can be obligated for the project.

Upon determination by the STATE that the COUNTY's request is justified, the STATE will process a modification to the project agreement for FHWA's

authorization and obligation of the requested funds. The STATE may request additional justification of documentation as required to support the COUNTY's request.

For project agreement modifications involving the deobligation of excess funds related to low bid opening, less than anticipated project needs, or closing of projects, such deobligations will occur within the timelines specified in 23 CFR 630.106, or within ninety (90) calendar days after a determination of funding needs have been made by the COUNTY. If the COUNTY desires to use deobligated funds for another eligible and ready Federal-aid project shown on the TIP or STIP, the obligation of released funds must occur within the same federal fiscal year when the deobligations take place. If the COUNTY does not have an eligible project that is ready to use all or a portion of the deobligated funds, to avoid the possible lapsing of formula obligation authority, the STATE may use those released funds for the STATE's own projects.

Feb. 5, 2014

APPENDIX E –INTERIM PROCEDURES FOR PROJECT MONITORING AND TRACKING

The COUNTY shall monitor all projects with federal obligations and track the implementation of the project to its completion. Monitoring shall include but not be limited to:

- Maintaining a system to set and track project milestone dates. This may include developing and maintaining a project schedule with sufficient details that shows all major activities and milestones, and clearly show all activities occurring concurrently or sequentially.
- Reviewing fiscal activity on a monthly basis. If no expenditure of funds have occurred, the appropriate COUNTY personnel shall provide documentation explaining the reasons for the inactivity from the Project Manager,
- Participating in the STATE's project status meetings and quarterly "over the shoulder" meetings.
- If requested by the STATE with reasonable notice, meeting with the STATE to discuss progress of specific Federal-aid projects on an as-needed basis.
- The STATE may request monthly status updates in the event there are no project status meetings or "over the shoulder" meetings scheduled. Typically information for such project status requests will be submitted to the STATE on the last working day of the month.
- In addition to project level monitoring, the COUNTY shall maintain a list of all ongoing Federal-aid projects with a summary of project status. The STATE may request for an updated list on a monthly basis.

The STATE will monitor the COUNTY reimbursement activity and if no activity has been noted for a pre-determined period established by the STATE, the STATE will notify the COUNTY. The COUNTY will investigate the reasons for inactivity and will provide a remediation plan to the STATE within one week, or other mutually agreed timeframe, if required.

In accordance with 23 CFR Section 630.106(a)(5), all projects will be monitored for inactivity (no claims for reimbursements). FHWA is anticipated to initiate the formal rulemaking process to revise this section of 23 CFR to define inactive tiers as follows:

- unexpended balances \$150,000 or more and inactive for 12 months or more, and
- new project obligations inactive for 12 months or more since project authorization, regardless of amount

During this interim period where the formal rulemaking process to modify this section of the CFR is being conducted by FHWA, the STATE and the COUNTY will comply with the above proposed tiers of inactivity.

It should be noted that a project may initially reside in a lower tier based on the initial amount of funds obligated. However when additional funds are obligated (example: an obligation adding construction funds to a project that had only design funds previously obligated) to a project, this activity may move the project beyond the \$150,000 threshold for inactivity.

If the COUNTY is unable to provide reasonable justification for inactivity to the STATE, or the COUNTY does not take timely action to resolve inactivity, the STATE or FHWA may deobligate funds from the inactive project. To avoid inactivity, for any time spent on the project, the COUNTY shall bill to and claim Federal reimbursements on a timely basis as described in APPENDIX F.

Feb. 5, 2014

**APPENDIX F –INTERIM PROCEDURES FOR FINANCIAL
MANAGEMENT, REIMBURSEMENTS AND
RECORDS RETAINAGE**

Indirect Cost: The COUNTY shall provide documentation of its fringe and indirect cost rates computation and approval for use in accordance with 2 CFR 225 – Cost Principles for State, Local, and Indian Tribal Government to the STATE.

Records Retention: All project documents shall be kept for a minimum of 3 years from the date the final voucher is submitted to FHWA. When requested by the STATE or FHWA, such records shall be made available for review or audits.

Federal Reimbursement Claims: If anticipated claim(s) for reimbursement by the COUNTY is expected to exceed \$50,000.00, or if the project or activity is funded by any economic stimulus related funds, the COUNTY shall submit semi-monthly requests for reimbursements. If processing of semi-monthly federal reimbursement requests will create severe hardship to the COUNTY, the STATE, FHWA and the COUNTY shall meet to discuss the circumstances and agree on a mutually determined billing frequency.

The COUNTY shall prepare monthly requests for federal reimbursements for amounts from \$10,000.00 to \$50,000.00.

For amounts less than \$10,000.00, the COUNTY will be provided the option to accumulate such amounts from one month to the next. A reimbursement request shall be submitted to the STATE upon reaching this \$10,000.00 threshold, or within a time period of three consecutive months has elapsed from the last billing, whichever is first.

In the event there are no reimbursement requests from the COUNTY for a period of three consecutive months, the COUNTY shall provide to the STATE the reason(s) for not claiming any federal reimbursements.

COUNTY reimbursement requests will be reviewed and processed by the STATE and will be submitted to FHWA for approval and reimbursement. Request for reimbursements shall not exceed the amounts and participation rates shown in the original PR-1240 and subsequent approved modifications. All reimbursement requests shall clearly show the total funds expended by the COUNTY during the reimbursement period and the amount of federal funds requested, the amount paid and reimbursed to date, and all documents to support the reimbursement request. Supporting documents may include: paid invoices, receipts, copies of agreements, timesheets, certified payrolls, and other documents as necessary. The STATE may specify a standard reimbursement format to increase efficiency in the processing of federal reimbursements to the COUNTY.

Return of funds to FHWA: All costs and expenditures properly recorded to a project but ruled ineligible for financing with federal funds shall be borne by the COUNTY. For retroactive adjustments of reimbursed federal funds, such ineligible amounts may be deducted from future COUNTY reimbursement requests for the project in question, or from other COUNTY Federal-aid projects if necessary. If deduction(s) from future COUNTY reimbursements is not feasible, the COUNTY shall provide cash reimbursement to the STATE within sixty (60) days. In the event such payment(s) from the COUNTY creates severe financial hardship, the COUNTY may request an extension to the repayment period, subject to approval by FHWA and the STATE.

Cancelled or withdrawn projects with federal reimbursements may require a return of funds to FHWA. If it is determined that a reimbursement from the COUNTY to FHWA is due, such COUNTY reimbursement shall be processed as described in the preceding paragraph.

STATE review costs: If programmed for federal-aid, preconstruction and construction costs furnished by the STATE may be considered a part of the normal project cost and included in the COUNTY's project estimate and budget. If these costs are not programmed for federal-aid, such services rendered by the STATE on COUNTY projects shall be reimbursed by the COUNTY using non-federal funds.

An accounts receivable will be established by the STATE that will describe the services furnished by the STATE to the COUNTY, and whether such services are federal participating or not. The COUNTY shall provide a purchase order to the STATE, when requested by the STATE, within thirty (30) calendar days. In the event a purchase order is not received from the COUNTY and the STATE begins to incur review or other support costs, the STATE will notify the COUNTY of its intent to stop supporting services until a purchase order is received by the STATE. The STATE's direct labor charges will be based on the STATE's personnel providing such services to the COUNTY and the STATE's prevailing indirect cost rate. The STATE will maintain timesheets and accounting to support review or administrative costs billed to the COUNTY.

Feb. 5, 2014

APPENDIX G –INTERIM PROCEDURES FOR DESIGN

In accordance with 23 CFR 625.3, project design shall comply with all applicable federal laws, regulations, policies, standards and guidelines applicable to Title 23, American Association of State Highway and Transportation Officials (“AASHTO”); adopted STATE standards and policies, and COUNTY design standards, ordinances, and policies.

Construction PS&Es shall be submitted to the STATE at the 60%, 90% and 100% design stages for review. For low risk projects with routine and straightforward work scope, the COUNTY may request the STATE to require submittals at the 90% and 100% design stages for review. Such requests shall be made in writing by the COUNTY at the time a request is made to place the proposed project on the TIP or the STIP. The written request shall be accompanied by a detailed description of the proposed work scope, a map identifying the project location, and the project schedule. The STATE will have sole discretion to approve or disapprove the request.

In addition to PS&Es, the COUNTY shall provide copies of all correspondence, consultation letters or other documents to support NEPA environmental clearances, ROW, and a completed PS&E checklist for review.

For design-build projects or other competitive sealed proposals [such as Request for Proposals (“RFP”)], the following shall be submitted to the STATE: a clear description of the project scope, scoring and award process incorporated into the initial draft document; an intermediate submittal that addresses any STATE or FHWA comments received on the initial submittal; and a final submittal (100%) for review. Similar to design-bid-build construction PS&E, the COUNTY shall provide copies of all correspondence, consultation letters or other documents to support NEPA environmental clearances, ROW certification, and a completed PS&E checklist.

Submittal of 100% PS&Es and/or RFPs along with supporting documents from the COUNTY will be made to the STATE no later than May 31st of any given year to ensure review and processing by the STATE personnel in time for federal obligation of funds that same federal fiscal year. In the event the COUNTY submits incomplete PS&Es and/or documentation that requires resubmittals after May 31st, or submits 100% PS&E’s to the STATE after May 31st, it is understood that the STATE will work to review and process such COUNTY PS&Es but may give such projects a lower priority in review and processing due to the STATE’s own workload requirements.

For planning studies, master planning documents, or other similar undertakings that will not directly result into a construction project(s), the COUNTY shall submit all deliverables specified in the consultant contract for STATE review.

Feb. 5, 2014

APPENDIX H –INTERIM PROCEDURES FOR CONSULTANT PROCUREMENT

To be eligible for Federal-aid funds, all consultant procurements shall be made in accordance with 23 CFR Part 172 and the Brooks Act (23 U.S.C. §112 (b)(2)(A)). The COUNTY may elect to adopt the STATE's consultant procurement procedures or develop its own consultant procurement procedures that shall be approved by the STATE and FHWA in accordance with 23 CFR 172.9(a).

Alternatively, the COUNTY may elect to procure consultant services using non-FHWA approved procedures and utilize all COUNTY funds. This route eliminates the option of utilizing such expended COUNTY funds for soft-matching in future project phases.

COUNTY's submittals for consultant selection and approvals will be processed and approved by the FHWA and/or the STATE (if such authority is delegated in accordance with 23 CFR 172.9).

In the event the STATE becomes aware of changes to federal consultant procurement requirements, the STATE will notify the COUNTY of such changed requirements.

Feb. 5, 2014

**APPENDIX I –INTERIM PROCEDURES FOR RIGHTS-OF-WAY
ACQUISITIONS, MANAGEMENT, DISPOSALS,
AND TRANSFERS**

The COUNTY shall acquire, manage, relocate, or dispose of ROW in accordance with 23 CFR Part 710 and 49 CFR Part 24. Alternatively the COUNTY may elect to utilize ROW procedures developed and used by the STATE.

In addition to purchasing ROW, the COUNTY may receive land donations in accordance with 23 CFR 710.505 that may be used as credits for the COUNTY's matching share based on fair market value. Eligibility and application of soft matching for donated land shall be in accordance with 23 U.S.C. Section 120. The STATE will give the COUNTY authorization to proceed with ROW activities when federal funds are used in the acquisition of ROW.

The COUNTY may request the STATE's assistance in the appraisal or acquisition of ROW by STATE personnel. The STATE will notify the COUNTY of its ability to assist given the current circumstances at the time of request and if such assistance by the STATE is provided, the COUNTY agrees to reimburse such costs incurred by the STATE. Reimbursement of such costs to the STATE will be processed in accordance with accounts receivable provisions contained in APPENDIX F.

In the event the COUNTY and the STATE agrees that jurisdiction and/or ownership of a particular route should be transferred to either party, the COUNTY shall coordinate such transfer activities with the STATE Highways' Construction and Maintenance Branch ("HWY-C"). The transferring party shall be responsible and bear all costs to prepare all land transaction documents, including any legal costs, notification costs, escrow, filing fees, or any other costs related to transfer of property. All record plans, property descriptions, ROW maps, easement documents, licenses or other documents that describe title, encumbrances, ownership and/or jurisdiction shall be provided to the receiving party in paper (2 copies) and electronic format.

Feb. 5, 2014

**APPENDIX J –INTERIM PROCEDURES FOR CONSTRUCTION
ADVERTISEMENT, AWARD, NOTICE-TO-
PROCEED, AND CONSTRUCTION
ADMINISTRATION**

Upon completion of design, obligation of federal funds, and authorization to advertise and receive bids by FHWA as shown on the approved PR-1240, the COUNTY shall expeditiously advertise, receive bids, evaluate bids and award the construction projects. These activities shall occur as soon as possible and within timelines specified in any FHWA imposed conditions for obligation of funds. The COUNTY shall submit bid, bid evaluation and related documents to the STATE for review and concurrence.

When required, the PR-1240 will be modified to reflect award amount by the STATE for FHWA approval. Upon FHWA approval, the STATE will furnish a copy of the modified PR-1240 to the COUNTY, and the COUNTY will expeditiously award and execute the construction contract. The COUNTY shall provide to the STATE the date when the project was advertised and a copy of the award letter to the contractor. Construction Notice to Proceed ("NTP") shall be issued by the COUNTY to its contractor within the timeframes specified in the construction specifications. The COUNTY will provide a copy of the NTP letter to the STATE for its records. Copies of each letter shall be submitted to the STATE in accordance with the STATE's Construction Procedures Manual - Volume 10.

All Federal-aid projects are subject to the goals of: awarding the project within 120 calendar days, and issuing NTP within 180 calendar days from the time construction funds are obligated.

Construction administration shall comply with the STATE's Construction Procedures Manual - Volume 10, STATE/SOH's Quality Assurance Manual, and the STATE/SOH Highways Testing Laboratory's guidelines and procedures for the Quality Assurance for Materials. Alternatively, the COUNTY may develop its own construction administration procedures in compliance with 23 CFR 635 that is submitted to and approved by the STATE and FHWA. Similarly the COUNTY may develop its own Quality Assurance Program in accordance with 23 CFR 637 that is submitted to and approved by the STATE and FHWA.

The STATE's District Engineer or assigned representative may participate in preconstruction meetings, field inspections, reviews, or final inspections as specified in the STATE's Construction Procedures Manual - Volume 10.

All construction and material records shall be made available for inspection by STATE or FHWA personnel. The STATE or FHWA may perform periodic process reviews or audits of ongoing COUNTY construction projects to verify

conformance with approved construction administration procedures and contract requirements.

Upon completion of construction work, the COUNTY shall endeavor to settle all costs with the contractor, the STATE, utility companies and other parties as required in a timely manner, and proceed to close out the project so that the project does not appear on any inactive list described in SECTION 9 and unused federal funds can be released for use in other Federal-aid projects in a timely fashion. Actual release (deobligation) of federal funds will be coordinated with the STATE Federal Program Engineer. Final project close-out shall be in accordance with the STATE's Construction Procedures Manual - Volume 10, Section 10-2-22.

Feb. 5, 2014

**APPENDIX K –LETTER OF AGREEMENT AND STEWARDSHIP
PLAN (“STEWARDSHIP AGREEMENT”)**

The STEWARDSHIP AGREEMENT contained in this appendix is provided for reference only.

DAVID Y. IGE
GOVERNOR



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

February 25, 2015

FORD N. FUCHIGAMI
DIRECTOR

Deputy Directors
JADE T. BUTAY
ROBB M. HIGASHI
EDWIN H. GNIFFEN
DARRELL T. YOUNG

IN REPLY REFER TO:
HWY-S 2.9158

Mr. Michael D. Formby
Director
City and County of Honolulu
Department of Transportation Services
650 South King Street, 3rd Floor
Honolulu, Hawaii 96813

Dear Mr. Formby:

Subject: Temporary Agreement between the Hawaii Department of Transportation and the City and County of Honolulu for the Implementation of Federal Aid Projects

We understand that the City and County of Honolulu (City) requires approval from the Honolulu City Council when funds are obligated for Federal-Aid projects undertaken by the City. In addition, the Honolulu City Council requires an agreement between the Hawaii Department of Transportation (HDOT) and the City authorizing the use of these funds.

Currently the HDOT is in the process of executing an updated memorandum of agreement (MOA) with all four county agencies in Hawai'i authorizing each county to carry out federal aid projects. We are awaiting the last county agency to secure council approval. For the City, this new MOA will replace the old 1973 agreement currently in place. We understand that due to the age of the current agreement, the Honolulu City Council requires an updated MOA, and any delays in executing the updated agreement may potentially jeopardize City funds.

Therefore, the HDOT agrees to operate under the provisions of the attached, unsigned STATE-COUNTY MEMORANDUM OF AGREEMENT – IMPLEMENTATION OF COUNTY FEDERAL-AID HIGHWAY PROJECTS AND PROGRAMS (AGREEMENT), dated 12/29/14 during this interim period. When the last county agency secures council approval, the HDOT will route a finalized AGREEMENT for signatures by all parties.

If you have any questions related to this matter, please contact Scot Urada, Federal Program Engineer at 587-2222.

Sincerely,


FORD N. FUCHIGAMI
Director of Transportation

Attachment

EXHIBIT B

597876

MAY/MDO CCHNL 15-02-04 AM1153



U.S. Department of Transportation
Federal Highway Administration

Hawaii Federal-aid Division

February 3, 2015

300 Ala Moana Blvd, Rm 3-306
Box 50206
Honolulu, Hawaii 96850
Phone: (808) 541-2700
Fax: (808) 541-2704

In Reply Refer To:
HDA-HI

Mr. Ford N. Fuchigami
Director
State of Hawaii Department of Transportation
869 Punchbowl Street, Suite 500
Honolulu, HI 96813

To Director/Chief: DTS
 Coordinate with _____
____ Draft for Mayor's Sig.
____ Direct Reply (cc/bcc Mayor)
____ Investigate, Report & Respond
 File / File
____ Comment/Recommendation

Dear Mr. Fuchigami:

Since July 1, 2014, new construction projects authorized by the Federal Highway Administration (FHWA) Hawaii Division have included a 180-day condition that the "project must advance from authorization to Notice to Proceed (NTP) within 180 days or Federal-aid funds will be subject to deobligation." The intent of this condition is to ensure newly authorized projects are proactively guided toward NTP and to ensure continued progress in reducing the amount of unspent Federal-aid highway dollars on open projects, commonly known as the Pipeline. The six-month timeframe also helps prevent Federal-aid highway funds from sitting idle and becoming inactive. This letter documents the procedures that have been established and agreed to by the HDOT and FHWA for projects that are not expected to meet the 180-day condition.

FHWA will consider requests to extend the 180-day deadline on a limited, case-by-case basis. Additionally, we expect to grant no more than one extension per project. The FHWA must receive a written request for an extension no later than ten (10) working days in advance of the project's deadline. Counties are to submit their requests to HDOT twenty (20) working days in advance of the project's deadline. This will allow for HDOT's review and recommendation to the FHWA. The written request must include the following information:

- A narrative explanation of the current status of the project, including the actual advertisement and award dates, if these have occurred, the primary cause(s) for the delay, and the specific actions taken to date to mitigate the delay;
- An updated project schedule including, but not limited to, the following anticipated milestone dates: advertisement, award, NTP, substantial completion, final acceptance, and project close-out;
- An action plan with timeframes and personnel responsible for resolving any remaining project issues and ensuring that the project meets the updated project schedule; and,
- If a systemic issue has been identified, an action plan with timeframes and personnel responsible for making the necessary program changes or improvements that will prevent similar delays from occurring on future projects.

FHWA will provide a written response within five (5) working days of receiving a request that adequately addresses each of the above items.

If a project's 180-day deadline lapses without an approved extension, we expect the HDOT to submit form HI-FMIS 1240.2 (Request for Project Authorization, Agreement, and/or Modification) within ten (10) working days to withdraw the project if no costs have been incurred or to modify the obligation downward equal to the costs incurred to date on the project. Counties are to provide HDOT with the information needed to complete the subject form within five (5) working days. If the HDOT does not submit the form within ten (10) working days, FHWA will unilaterally deobligate funds as appropriate and withdraw the authorization. The FHWA will coordinate with HDOT and the county, if appropriate, on the ultimate date of these actions. Only costs incurred before FHWA's deobligation and withdrawal of authorization of the project will be eligible for reimbursement. Reimbursement requests for costs incurred, if any, must be made within 90 calendar days of FHWA's action. FHWA will not participate in any claims by the contractor for additional costs associated with the deobligation and withdrawal of authorization of the project.

Should HDOT or a county project sponsor want to use Federal-aid highway funds on the project in the future, the project must comply with the applicable terms and conditions set forth in title 23 U.S.C., the regulations issued pursuant thereto, the policies and procedures promulgated by the FHWA, and all other applicable Federal laws and regulations. This includes compliance with 23 CFR §450.220, which states "except as provided in §450.216(g) and §450.218(d), only projects in a FHWA/FTA approved STIP shall be eligible for funds administered by the FHWA or the FTA."

We look forward to working with you and the counties on getting current and future transportation projects to NTP and delivered to the public as quickly as possible. In order to coordinate a positive resolution on each project, we intend to send you periodic notifications that list the projects with the 180-day condition and their respective deadlines.

Thank you again for your full attention and cooperation to resolve both the project and program issues that contribute to the Pipeline. If you require more information, please contact John Lairet, FHWA Hawaii Division at (808) 541-2305 or john.lairet@dot.gov.

Sincerely yours,



Mayela Sosa
Division Administrator

cc: Mayor Alan Arakawa, County of Maui
Mayor Kirk Caldwell, City & County of Honolulu
Mayor Bernard Carvalho, County of Kauai
Mayor Billy Kenoi, County of Hawaii
HDOT: Edwin Sniffen (Deputy Director), HWY-O, HWY-M, HWY-H, HWY-K, HWY-C, HWY-D,
HWY-A, HWY-S
Michael Formby, DTS, City & County of Honolulu
Larry Dill, DPW, County of Kauai
David Goode, DPW, County of Maui
Warren Lee, DPW County of Hawaii

EXHIBIT C



U.S. Department
of Transportation
**Federal Highway
Administration**

Hawaii Federal-Aid Division

March 31, 2015

300 Ala Moana Blvd, Rm 3-306
Box 50206
Honolulu, Hawaii 96850
Phone: (808) 541-2700
Fax: (808) 541-2704

In Reply Refer To:
HDA-HI

Mr. Ford N. Fuchigami
Director
State of Hawaii Department of Transportation
869 Punchbowl Street, Suite 500
Honolulu, HI 96813

Dear Mr. Fuchigami:

Since July 2014, the sixteen construction projects that included a condition that the project advance from authorization to notice to proceed (NTP) within 180 days have now had their deadlines pass. Of the sixteen projects with the condition, nine met the deadline of issuing the NTP within 180 days. The seven that did not were all granted one-time extensions of varying lengths by this office. Five projects that missed the deadline were Hawaii Department of Transportation (HDOT) projects, and one each from Maui County and the City & County of Honolulu. We have enclosed a tracking sheet that provides details of each project, including the extended deadlines.

Assuming that the extended deadlines are met, these sixteen projects will have an average duration of 202 days from authorization to NTP. This compares to an average duration of 496 days for projects with an NTP date on the project tracking sheet (a.k.a. the Green Sheet) as of January 22, 2015. Compliments are due to you and your staff, as well as staff in the counties, for making so much progress in such a short time.

In addition to expediting project delivery, the purpose of the condition is also to identify systemic issues that delay projects and to develop strategies to address those issues. We have identified several systemic issues from the projects that received extensions and would like to discuss these with you.

Thank you again for your full attention and cooperation to resolve both the project and program issues that contribute to the Pipeline. If you require more information, please contact me at (808) 541-2309 or by email at mayela.sosa@dot.gov.

Sincerely yours,

Mayela Sosa
Division Administrator

Enclosure

cc: Edwin Sniffen, Jamie Ho, HWY-O, HWY-M, HWY-H, HWY-K, HWY-D, Mayor Alan Arakawa, Mayor Bernard Carvalho, Mayor Kirk Caldwell, Michael Formby (DTS), Larry Dill (Kauai County DPW), David Goode (Maui County DPW)

Construction Projects with 180 Day Authorization to NTP Condition

Project #	Project Description	Date Authorized & Obligated	+ 180 DAYS	Extension Date	Actual NTP Date	DAYS to NTP
0501040	KAUAI STATE - KAUMUALII HIGHWAY PAVEMENT PREVENTIVE MAINTENANCE, PHASE II, WAIMEA RIVER BRIDGE TO LELE ROAD (C)	8/1/2014	1/28/2015	N/A	1/20/2015	172
0366001	MAUI CNTY - KOKOMO AVENUE PAVEMENT RECONSTRUCTION, MILE POST 3.0 TO MAKAWAO AVENUE (CON)	8/25/2014	2/21/2015	N/A	2/1/2015	160
0390001	MAUI CNTY - BALDWIN AVENUE PAVEMENT REHABILITATION, PHASE 1, MAKAWAO AVENUE TO HALIIMAILE ROAD (CON)	8/25/2014	2/21/2015	N/A	1/26/2015	154
0900084	MAUI CTY - WAILEA ALANUI DR PVMNT REHAB, OKOLANI DR->WAILEA IKE DR & WAILEA IKE DR PVMNT REHAB, PILANI HWY->WAILEA ALANUI DR (C)	8/25/2014	2/21/2015	4/6/2015		
0301053	MAUI STATE - HONOAPILANI HWY GUARDRAIL AND SHOULDER IMPROVEMENTS, VICINITY OF UKUMEHAME, MILE POST 13.2 TO MILE POST 13.3 (CON)	9/2/2014	3/1/2015	4/30/2015		
0001052	HON CNTY - TRAFFIC SIGNALS AT VARIOUS LOCATIONS, PHASE 14 (PENG, CON)	9/4/2014	3/3/2015	N/A	3/2/2015	179
0321010	MAUI STATE - MAIN STREET RESURFACING, HIGH STREET TO KAAHUMANU AVE. AND KAAHUMANU AVE. RESURFACING, MAIN ST. TO HOBROU AVE. (CON)	9/8/2014	3/7/2015	4/18/2015		
0831069	HON STATE - KAMEHAMEHA HIGHWAY SAFETY IMPROVEMENTS, WAIKANE VALLEY ROAD TO KAAWA BRIDGE (P, C)	9/8/2014	3/7/2015	5/1/2015		
3600001	MAUI CNTY - HANSEN ROAD PAVEMENT RECONSTRUCTION, SPANISH ROAD TO VICINITY OF HANA HIGHWAY (CON)	9/8/2014	3/7/2015	N/A	2/1/2015	146
0300138	HON STATE - FREEWAY MANAGEMENT SYSTEM, INTERSTATE H-1, H-2 AND MOANALUA FREEWAY (H-201), PHASE 1C, PART 2 (CON)	9/12/2014	3/11/2015	7/17/2015		
0501041	KAUAI STATE - KAUMUALII HIGHWAY PAVEMENT PREVENTIVE MAINTENANCE, PHASE III, VICINITY OF MANA TO WAIMEA CANYON DRIVE (CON)	9/12/2014	3/11/2015	N/A	3/9/2015	178
0801012	HON STATE - KAMEHAMEHA HIGHWAY, REPAIR AND REPAINT KARSTEN THOT BRIDGE (CON)	9/12/2014	3/11/2015	5/13/2015		
3950008	MAUI CNTY - LONO AVENUE PAVEMENT REHABILITATION, PHASE 2, LAU STREET TO MAKALI STREET (P, C)	9/15/2014	3/14/2015	N/A	3/9/2015	175
0530001	KAUAI CNTY - KOLOA ROAD GUARDRAIL AND SAFETY IMPROVEMENTS (P,C)	9/18/2014	3/17/2015	N/A	3/17/2015	180
0700058	KAUAI CNTY - RESURFACE COLLECTOR ROADS AT VARIOUS LOCATIONS (CON)	9/22/2014	3/21/2015	N/A	3/20/2015	179
0001041	HON CNTY - ALAPAI TRANSPORTATION MANAGEMENT CENTER (P, C)	9/25/2014	3/24/2015	5/14/2015		
0011261	HON STATE - INTERSTATE ROUTE H-1, ADDITION AND MODIFICATION OF FREEWAY ACCESS (KAPOLEI INTERCHANGE COMPLEX), PHASE 2	3/20/2015	9/16/2015			

EXHIBIT D

EXHIBIT E



TE 573337
 TB 14.257

14 AUG 18 A9 30

MR MICHAEL D. FORMBY, DIRECTOR
 CITY & COUNTY OF HONOLULU
 DEPARTMENT OF TRANSPORTATION
 650 SOUTH KING STREET 3RD FLOOR
 HONOLULU, HI 96813

Invoice #33786
 June 30, 2014
 ATA Job No. O-11-047
 Client ID: 05930

=====

THOMAS SQUARE PARK AND CIVIC CENTER BIKE PATH IMPROVEMENTS

Contract No. SC-DTS-1100094; Dated: June 24, 2011
 Federal Aid Project No. CMAQ – 0300(128)

Progress Billing No: 7

For Professional Services for the period: May 1, 2014 to June 30, 2014

Total Contract Amount:	\$150,000.00	
Completed Amount		\$ 108,252.90
Less Prior Fee Billing		\$ 106,527.90
		<u>1,725.00</u>
Less Retained Amount (5%) (Prior = \$3,557.50)		<u>\$ 0.00</u>
 TOTAL AMOUNT DUE (See attached Recapitulation)		 \$ 1,725.00

fe

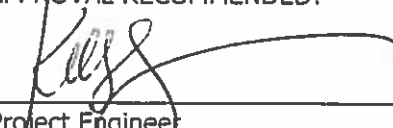
I certify that this invoice is correct and just, and that payment has not been received.

AUSTIN, TSUTSUMI & ASSOCIATES, INC.



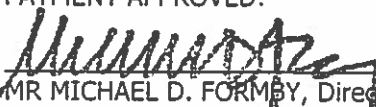
 DEANNA M.R. HAYASHI
 Vice President

APPROVAL RECOMMENDED:



 Project Engineer

PAYMENT APPROVED:



 MR MICHAEL D. FORMBY, Director
 Dept of Transportation

EXHIBIT F

OFFICE OF THE MAYOR
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 300 • HONOLULU, HAWAII 96813
PHONE: (808) 768-4141 • FAX: (808) 768-4242 • INTERNET: www.honolulu.gov

KIRK CALDWELL
MAYOR



ROY K. AMEMIYA, JR.
MANAGING DIRECTOR

GEORGETTE T. DEEMER
DEPUTY MANAGING DIRECTOR

March 23, 2015

MEMORANDUM

TO: Robert J. Kroning, Director
Department of Design and Construction

Ross S. Sasamura, Director
Department of Facility Maintenance

George I. Atta, Director
Department of Planning and Permitting

Michael D. Formby, Director
Department of Transportation Services

FROM: Roy K. Amemiya, Jr., Managing Director 

SUBJECT: Complete Streets Checklist

I would like to thank each of you for your support of Complete Streets, which is part of a larger City effort to make our streets safe, convenient and accessible for everyone, pedestrians, bicyclists, transit riders and motorists alike. As you know, the Complete Streets Ordinance requires the directors of DTS, DDC, DFM and DPP to jointly create, adopt and publish a single Complete Streets Checklist to be used by the Directors and their staffs when initiating, planning, designing, revising, implementing and/or reviewing any transportation facility or project.

Staff members of the four departments have been meeting on a monthly basis since 2013 to implement provisions of the Complete Streets Ordinance. A draft Checklist and associated procedures were developed by the Complete Streets Working Group and finalized in 2014. Corporation Counsel has reviewed the ordinance and determined that the four departments may begin using the Complete Streets Checklist as an internal planning tool.

Robert J. Kroning, Director
Ross S. Sasamura, Director
George I. Atta, Director
Michael D. Formby, Director
March 23, 2015
Page 2

As such, I am requesting that DTS, DFM, DDC and DPP use the attached Complete Streets Checklist during work on every transportation project or facility. Once completed, a copy of the signed checklist shall be sent to the DPP Complete Streets Coordinator.

Finally, whenever bikeway facilities, including sharrows or bike lanes, are included in City projects, please send project details to DTS for their records. This information should include, but not be limited to, discrete cost data associated with the bikeway portion of any transportation infrastructure project. DTS is responsible under the City Charter to oversee the Oahu Bike Plan and to track expansion of the City's bikeway network. As such, they will need bikeway specific project data to annually update the Oahu Bike Plan.

I appreciate your anticipated cooperation.

Attachment

City & County of Honolulu: Complete Streets Checklist

Certification			
Project Title: _____			
Project Engineer:		Division Chief: (City Projects Only)	
_____	_____	_____	_____
Signature	Date	Signature	Date
Dept. Director/ Principal:		DPP Complete Streets Coordinator:	
_____	_____	_____	_____
Department/Firm Name	_____	Signature	Date
Signature	Date		

Refer to "Complete Streets Checklist Instructions" for explanation and clarification. Do not certify until checklist is fully completed.

Section A: Street Classification, Street Type and Other Data

1) Is this a transportation facility or project? This includes, but is not limited to, reconstruction, rehabilitation and resurfacing.
 _____ Yes (please describe the project below and complete entire form.)
 _____ No (stop, complete certification and submit to DPP Complete Street Coordinator)

Project Description:

Is this a bridge seismic retrofit/scour project? If yes, stop, complete certification and submit to DPP.
 Is this a curb ramp only project? If yes, skip to C.

2) What is the Street Classification?
 Local Minor Collector Minor Arterial Major Arterial
 Major Collector

3) What is the Street Type? Check all that apply.
 Residential Commercial Industrial Mixed Use Other - Explain

4) What is the daily traffic volume (ADT)? (complete for a major collector road or higher classification).

5) If there are sidewalks in the area, describe their condition:

6) Are there any nearby (within a 1/4 mile) transit facilities? If so, please describe.

7) Please describe the parking restrictions in the area surrounding the facility or project:

Section B: Approved Plans

1) Does the Oahu Bike Plan make any recommendations with respect to the area surrounding the facility or project? If so, please describe.

2) Does any other neighborhood plan, bicycle plan, pedestrian plan, transit plan or other transportation-relevant plan apply to the area surrounding the facility or project? If so, please identify the plan and describe the recommendations.

Please complete other side.

City & County of Honolulu: Complete Streets Checklist

Project Title:

Section C: Complete Streets Features

	#1	#2	#3		#4	#5
	Existing	Included or Repairs To Be Included	Future ID or Separate Project		Exceptions	REMARKS
Enter	(√)	(Y/N)	(FID/SP)	(Date)	(1,2,3...)	
PEDESTRIAN/BICYCLE						
Sidewalks						
Crosswalks/Curb Ramps						
Refuge Island						
Curb Extensions						
Paved Shoulders						
Signage						
Shared Use Path						
BICYCLE						
Sharrows						
Lanes						
Bike Parking						
TRANSIT FACILITIES						
Public Transit Stops						
Transit Priority Signal						
STREETSCAPE						
Street Trees						
Planting Strips						
Street Furniture						
For NEW DEVELOPMENT ONLY						
Traffic Signal (audible, vibrotactile, countdown)						
Raised Medians						
Roundabouts/Mini Circles						
Transit Lanes						
Transit Priority Signal						

Submit completed form to DPP Complete Street Coordinator

Appendix 1

O`ahu Bike Plan – Highlights

Vision Statement	<i>O'ahu is a bicycle-friendly community where bicycling is a safe, viable, and popular travel choice for residents and visitors of all ages.</i>
Goals and Objectives	<ol style="list-style-type: none"> 1. To increase the mode share of bicycle trips 2. To enhance cooperation between roadway users 3. To encourage and promote bicycling as a safe, convenient, and pleasurable means of travel. 4. To be recognized by the League of American Bicyclists as a Bicycle-Friendly Community.
Five E's Strategy	Encouragement, Engineering, Education, Enforcement, Evaluation The five "E's" represent a comprehensive approach used by transportation planners in bicycle planning by addressing the myriad of issues and components needed to provide a safe, convenient bicycling experience on the island's bikeways.
Support Facilities	Support facilities are those that complement the overall network of bicycle facilities (lanes, routes, paths), such as parking, showers, and changing facilities, and integration with public transit.
Bikeway Network	An extensive network of lanes, paths, and routes is key to making O'ahu a bicycle-friendly community. Connecting riders to popular destinations and everyday services will encourage more people to ride for both utilitarian trips as well as recreation. A key component of this network is ensuring that facilities connect to one another, providing a continuous route and multiple options to arrive at destinations. A wide variety of facilities that consists of paths, lanes, and routes, is the best manner in which to serve the diverse types of riders.
Implementation and Benchmarks	Implementation of the O'ahu Bike Plan depends on the funding and actions of a variety of responsible parties and stakeholders. They include DTS, DFM, DDC, City Council, State DOT, and private developers, among other entities. Clearly, funding for projects and programs is critical to the Plan's execution and the City's budget process plays a pivotal role. Benchmarks have been developed to measure the success of how Plan implementation is meeting goals and objectives. Benchmarks are used to indicate progress in reaching an ultimate vision, and specify a timeframe in which achievement should be attained.

Source: O`ahu Bike Plan

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Appendix 2

O`ahu Bike Plan - Priority 1 Projects

According to the O`ahu Bike Plan, Priority 1 projects are considered the most important facilities for the network and should be completed within the next 5-10 years. The table lists the Priority 1 projects that are planned bikeway projects in all jurisdictions (i.e. City, State, Federal, private) and include a brief bikeway description, facility type (path, lane, or route), ownership, length, estimated cost, and DP area in which it is located.

Table 5: Priority 1 Projects							
Code	Name	Description	Type	Owner	Length (miles)	Cost** (1000s)	DP Area
1-1	Central O’ahu Regional Park	Kamehameha Highway to Paiwa Street	P	C	0.95	\$734	CO
1-2*	Lanikūhana Avenue	South end of Meheula Parkway to Mililani Shopping Center	R	C	2.64	\$132	CO
1-3	Leeward Bikeway (Phase 1)	Waipi’o Point Access Road to Hawaiian Railroad Society Train Station	P	S	5.99	--	CO
1-4*	Waipi’o Point Access Road (Southern Section)	Pearl Harbor Bike Path to Waipi’o Soccer Park	P	C	0.72	UC	CO
1-6*	Wailua Street	Hawaii Kai Drive to Lunalilo Home Road	L	C	0.37	\$42	EH
1-7*	Kapolei Parkway	Fort Barrette Road to Keone’ula Boulevard	L	C	4.10	\$472	’Ewa
1-8	Kualaka’i Parkway	H-1 Freeway to Keone’ula Boulevard	L	S	4.37	--	’Ewa
1-9	Kamehameha Hwy. (Ko’olauloa)	’O’opuola St. to Waiāhole Valley Road	R	S	25.25	--	KL
1-10*	Hāmākua Drive	Keolu Drive to Kailua Road	L	C	0.79	\$486	KP
1-11*	Kailua - Lanikai Connector	South Kalaheo to Kawailoa Rd. to Mokulua Dr.	R	C	0.82	\$41	KP
1-12*	Kailua Road (Eastern Section)	Wana’ao Road to South Kalāheo Avenue	L	C	0.84	\$97	KP
1-13*	Kailua Road (Western Section)	Ku’ulei Road to Hahani Street	R	C	0.21	\$11	KP
1-14*	Kalāheo Avenue	Kāne’ohe Bay Drive to Kailua Road	R	C	2.12	UC	KP
1-15	Kalaniana’ole Highway (Kailua)	Kailua Road to Olomana Golf Course	R	S	2.51	--	KP
1-16	Kalaniana’ole Highway (Olomana Golf Course)	Olomana Golf Course to Flamingo Street	R	S	0.40	--	KP
1-17	Kalaniana’ole Hwy (Waimānalo)	Wailea to Makapu’u Lighthouse	R	S	3.52	--	KP
1-18*	Kamehameha Hwy (Kāne’ohe)	Kahuhipa Road to Kāne’ohe Bay Drive	L	C	1.09	\$673	KP
1-19	Kawainui Levee Path	Kawainui Neighborhood Park to Kailua Road	P	S	1.25	--	KP
1-20	Kawainui Marsh Path (Levee to Hāmākua Drive)	Levee Path to Makai Side of Kawainui Canal	P	S	0.26	--	KP
1-21*	Kea’ahala Road	Kahekili Highway to Lilipuna Road	R	C	1.28	\$64	KP
1-22*	Wana’ao Road	Kailua Road to Keolu Drive	R	C	0.85	\$43	KP
1-23	Goodale Avenue	Farrington Highway to Waialua Beach Road	R	C	0.82	\$487	NS
1-24	Hale’iwa Road	Waialua Beach Road to Kamehameha Hwy	R	C	1.60	\$946	NS
1-25	Kamehameha Highway (North Shore)	Kaukonahua Road to ’O’opuola Street	R	S	9.23	--	NS

Key				
L Lane	C City	CO Central O’ahu	NS North Shore	
R Route	S State	EH East Honolulu	PUC Primary Urban Center	
P Path	F Federal	KL Ko’olau Loa	Wai Wai’anae	
XW signalized crosswalk	Pv Private	KP Ko’olau Poko	UC under design or construction	

Notes: Project code “1-5” not used.

Alphabetical listing of projects provided in Appendix B.

* Projects in Short-Range Implementation Plan (see Table 10).

** Costs not provided for State, Private, or Federal projects, or for City projects under design, construction or privately funded (including those that will ultimately be dedicated to the City).

^a The Department of Transportation Services reported that as of March 20, 2015, work on these projects have been completed and the bikeway improvements are installed and available to the cycling community.

Table 5: Priority 1 Projects (continued)

Code	Name	Description	Type	Owner	Length (miles)	Cost** (1000s)	DP Area
1-26 ^{*a}	18th Avenue	Diamond Head Road to Kīlauea Avenue	L	C	0.33	UC	PUC
1-27	Ala Moana Beach Park (Extension)	Connect existing mauka and makai bike paths, extend path to Kewalo Basin	P	S	0.15	--	PUC
1-28*	Ala Moana Boulevard Path	Atkinson Drive to Ala Wai Canal	P	C	0.10	UC	PUC
1-29*	Ala Wai Boulevard	Keoniana Street to Kalākaua Avenue	R	C	0.29	\$15	PUC
1-30	Aloha Tower Path	Aloha Tower to Waterfront Park	P	S	0.99	--	PUC
1-31*	Alohea Avenue	10th Avenue to Makapu'u Avenue	R	C	0.34	\$17	PUC
1-32	Beretania St. (Middle Section)	McCully Street to Alapa'i Street	L	C	1.43	\$164	PUC
1-33*	Beretania St. (Southern Section)	University Avenue to McCully Street	L	C	0.78	\$89	PUC
1-34*	Civic Center Bike Path	Alapa'i Street to Richards Street	P	C	0.46	UC	PUC
1-35*	Cooke Street	Ilalo Street to South King Street	L	C	0.76	\$88	PUC
1-36*	Coyne Street	University Avenue to Isenberg Street	R	C	0.28	UC	PUC
1-37 ^{*a}	Diamond Head Road	Pākī Avenue to Fort Ruger Park	L	C	1.47	\$909	PUC
1-38	Dillingham Boulevard (Southern Section)	Pu'uhale Road to N. King Street	R	C	1.44	\$72	PUC
1-39*	'Ena Road	Kalākaua Avenue to Ala Moana Boulevard	R	C	0.21	\$10	PUC
1-40*	Fort Street Mall	Nimitz Highway to Beretania Street	R	C	0.38	\$15	PUC
1-41*	Harding Avenue	Kapahulu Avenue to 16th Avenue	R	C	1.31	\$65	PUC
1-42*	Honomanū Street	Moanalua Road to Kamehameha Highway	L	C	0.16	\$19	PUC
1-43*	Isenberg St (Northern Section)	Coyne Street to South King Street	R	C	0.17	\$8	PUC
1-44*	Ka'ahumanu Street	Kamehameha Highway to Komo Mai Drive	L	C	1.01	\$117	PUC
1-45*	Kāhala Avenue	Diamond Head Road to Keala'olu Avenue	R	C	1.51	\$75	PUC
1-46*	Kalākaua Avenue (Northern Section)	Beretania Street to Ala Moana Boulevard	R	C	0.98	\$49	PUC
1-47*	Kalākaua Avenue (Southern Section)	Saratoga Road to Kapahulu Avenue	L	C	0.95	UC	PUC
1-48	Kalākaua Ave. Signal/Crosswalk	Ala Wai Promenade	XW	C	0.00	\$200	PUC
1-49*	Kālia Road	Ala Moana Boulevard to Saratoga Road	R	C	0.49	\$25	PUC
1-50*	Kapahulu Avenue	Kalākaua Avenue to Old Wai'ālae Road	R	C	1.56	UC	PUC
1-51	Kapahulu Avenue Bike Path (Extension)	Extend existing Kapahulu Avenue Path to Ala Wai Bike Lane	P	S	0.11	--	PUC
1-52	Kapi'olani Boulevard	Waiaka Road to South King Street	L	C	0.21	\$130	PUC
1-53*	Kīlauea Avenue	Wai'ālae Avenue to Makapu'u Avenue	R	C	1.56	\$78	PUC
1-54*	King Street (Southern Section)	South Street to Kapi'olani Boulevard	L	C	2.84	\$326	PUC
1-55*	Kuala Street	Kamehameha Hwy to Waimano Home Road	L	C	1.02	\$117	PUC
1-56*	Kūhiō Avenue	Kalākaua Avenue to Kapahulu Avenue	R	C	1.17	\$59	PUC



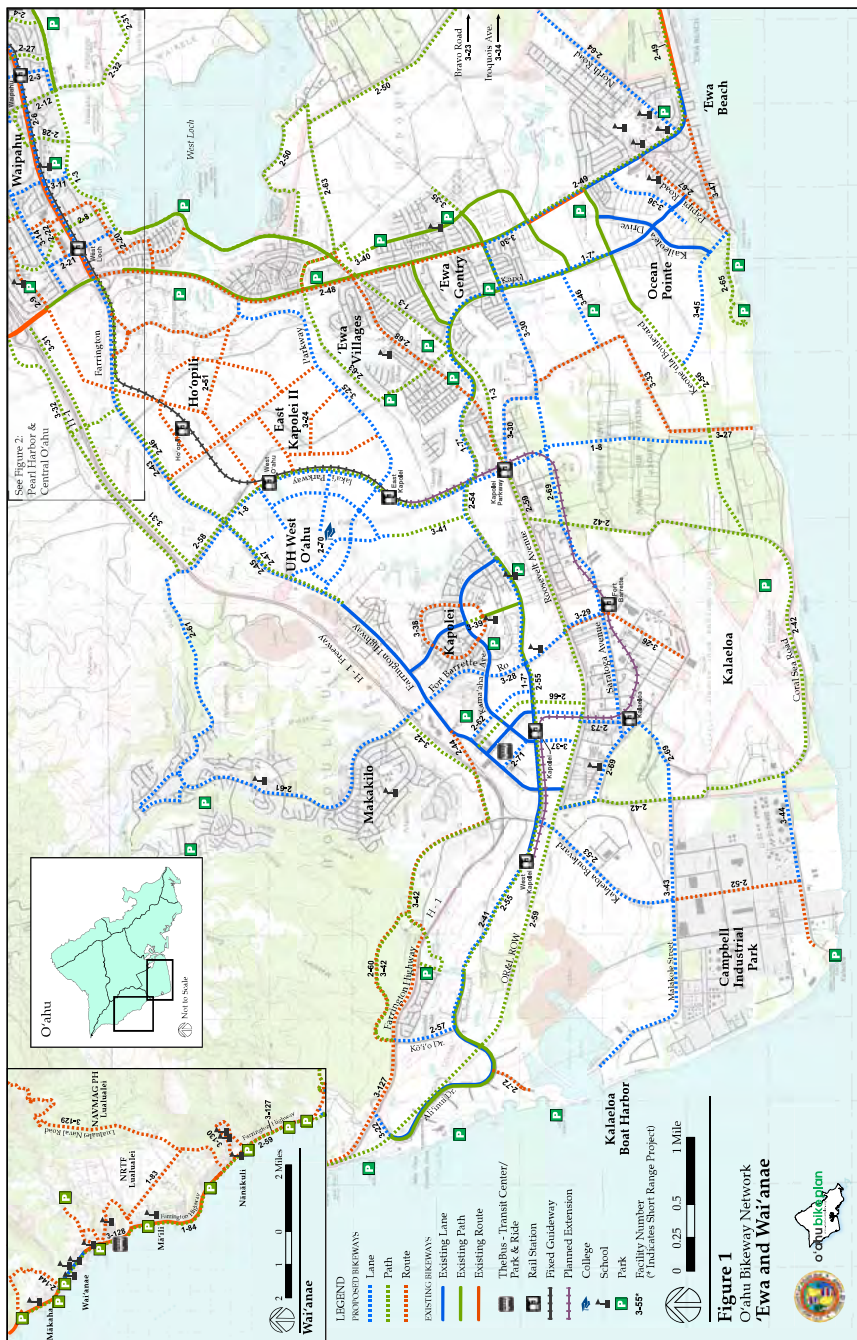
Table 5: Priority 1 Projects (continued)							
Code	Name	Description	Type	Owner	Length (miles)	Cost** (1000s)	DP Area
1-57* ^a	Makapu`u Avenue	Kīlauea Avenue to Diamond Head Road	L	C	0.27	UC	PUC
1-58*	McCully Street	Kapi`olani Boulevard to H-1 Freeway	L	C	0.61	\$70	PUC
1-59*	Moanalua Road (Pearl City)	Ho`omalua Street to Waimano Home Road	L	C	0.60	\$69	PUC
1-60	Moanalua Road (Aiea)	Ka`ahumanu Street to `Aiea Heights Drive	L	C	1.87	\$215	PUC
1-61* ^a	Monsarrat Avenue - Diamond Head Road	Kapahulu Avenue to Fort Ruger Park	L	C	2.36	\$1,460	PUC
1-62*	Noelani Street	Moanalua Road to Ka`ahumanu Street	R	C	0.72	\$36	PUC
1-63	Old Wai`alae Road	St. Louis Heights Drive to South King Street (over H-1)	L	S	0.42	--	PUC
1-64*	Pālolo Loop (10th Ave)	Alohea Ave and 10th Ave to Pālolo Place	R	C	2.62	\$131	PUC
1-65*	Pālolo Loop (Pālolo Ave)	Alohea Ave./10th Ave. Intersection to Pālolo Place	R	C	2.83	\$142	PUC
1-66*	Pearl Harbor Bike Path (PHBP) Connector-- Lehua Avenue	Kamehameha Highway to Pearl Harbor Bike Path	L	C	0.34	\$39	PUC
1-67*	Pensacola Street	Waimanu Street to Wilder Avenue	R	C	1.05	\$53	PUC
1-68*	PHBP Connector - Hekaha St.	Kamehameha Hwy to Pearl Harbor Bike Path	L	C	0.09	\$11	PUC
1-69*	PHBP Connector - Kanuku Street	Kamehameha Highway to Pearl Harbor Bike Path	L	C	0.05	\$6	PUC
1-70*	Pi`ikoi Street	Ala Moana Boulevard to Wilder Avenue	R	C	1.20	\$60	PUC
1-71*	Queen Street	Fort Street Mall Path to Pi`ikoi Street	R	C	1.63	\$82	PUC
1-72*	Queen's Beach Trail (South Section)	Beach Trail to Kalākaua Avenue (at Natatorium)	P	C	0.07	\$51	PUC
1-73*	Saratoga Road	Kālia Road to Kalākaua Avenue	R	C	0.27	\$14	PUC
1-74*	School Street	`Iolani Avenue to Middle Street	R	C	2.68	UC	PUC
1-75*	Thomas Square Park	Victoria Street to Ward Avenue	P	C	0.11	UC	PUC
1-76*	University Avenue	Dole Street to Maile Way	L	C	0.36	\$41	PUC
1-77*	Varsity Place	University Avenue to Lower Campus Road	R	C	0.27	UC	PUC
1-78	Waiaka Road-Kuilei Street	Wai`alae Avenue / King Street Connection	R	C	0.41	\$44	PUC
1-79*	Wai`alae Ave. (Eastern Section)	11th Avenue to 17th Avenue	R	C	0.49	\$25	PUC
1-80	Wai`alae Ave. (H-1 Viaduct)	18th Avenue to `Āinakoā Avenue	L	S	0.89	--	PUC
1-81*	Wai`alae Ave. (Western Section)	Kapahulu Avenue to 11th Avenue	L	C	0.91	\$566	PUC
1-82*	Young Street	Pensacola Street to Isenberg Street	L	C	1.40	\$865	PUC
1-83	Mā`ili to Wai`anae (Valley Route)	Plantation – Wai`anae Valley - Lualualei Homestead Rd – Mā`ili`ili – Pa`akea – Lualualei Naval Rd	R	C	9.34	\$467	Wai
1-84	Wai`anae Coast Path	Lualualei Naval Road to Kili Drive	P	S/C	8.16	--	Wai
Priority 1 Totals (rounded):					138 miles	\$11.3 million	

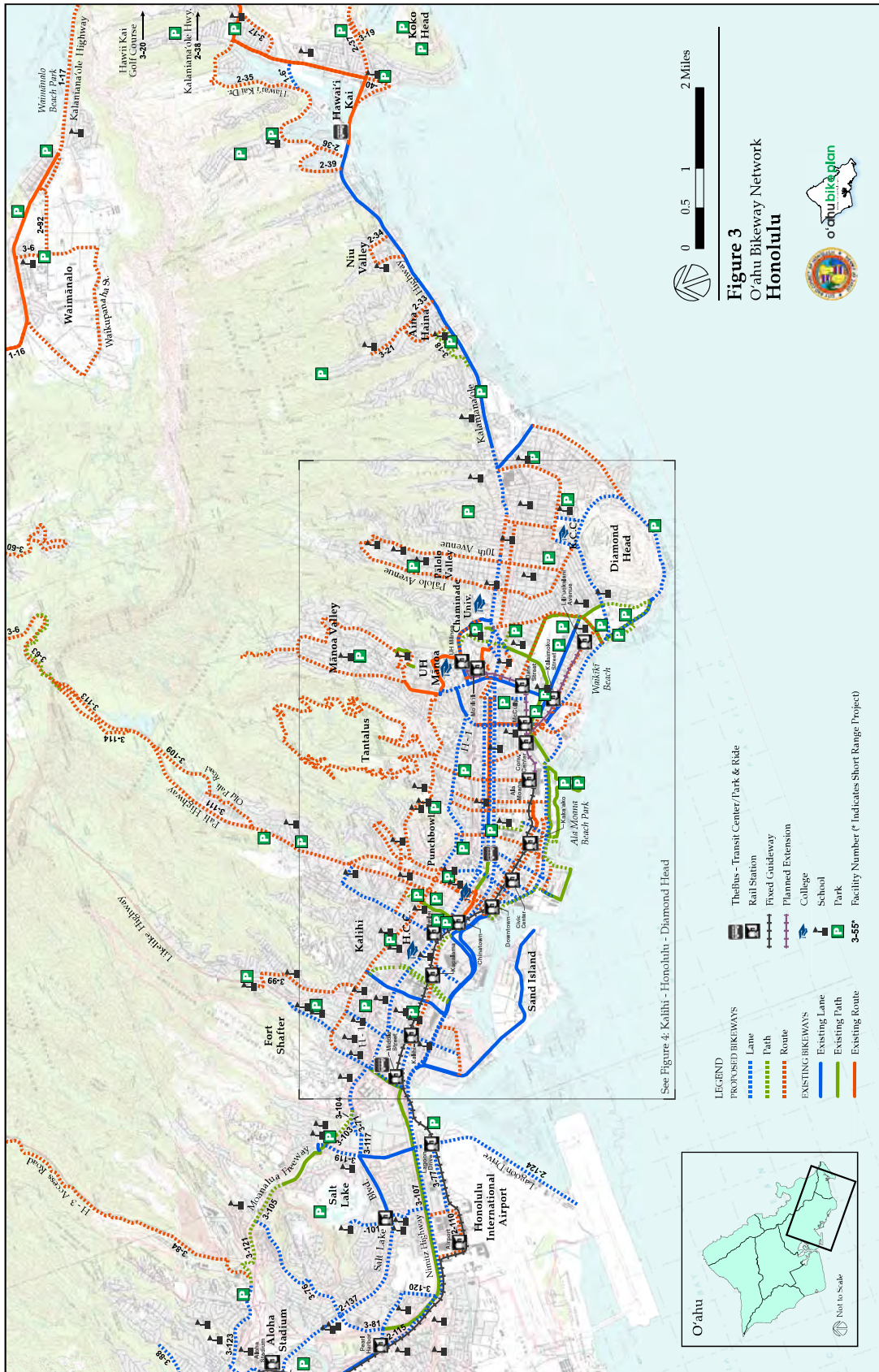
Source: O`ahu Bike Plan and Office of the City Auditor

Appendix 3

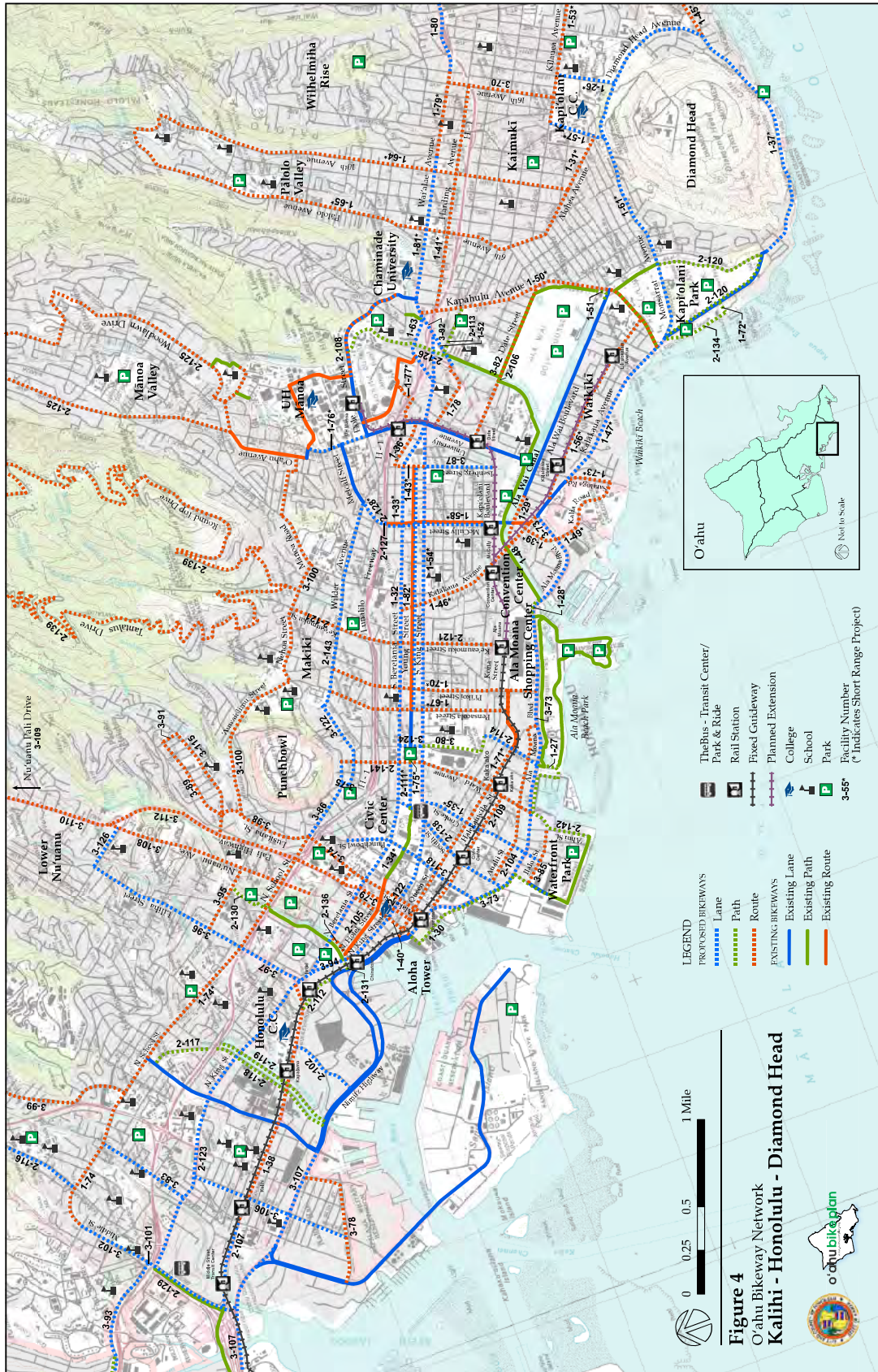
O`ahu Bike Plan – Bike Network Maps

The Bike Network Maps show both the existing and proposed facilities in all jurisdictions in order to represent the future comprehensive islandwide network. Existing routes, lanes, and paths are shown with solid lines; proposed facilities are shown as dashed lines, with facility types shown in different colors.



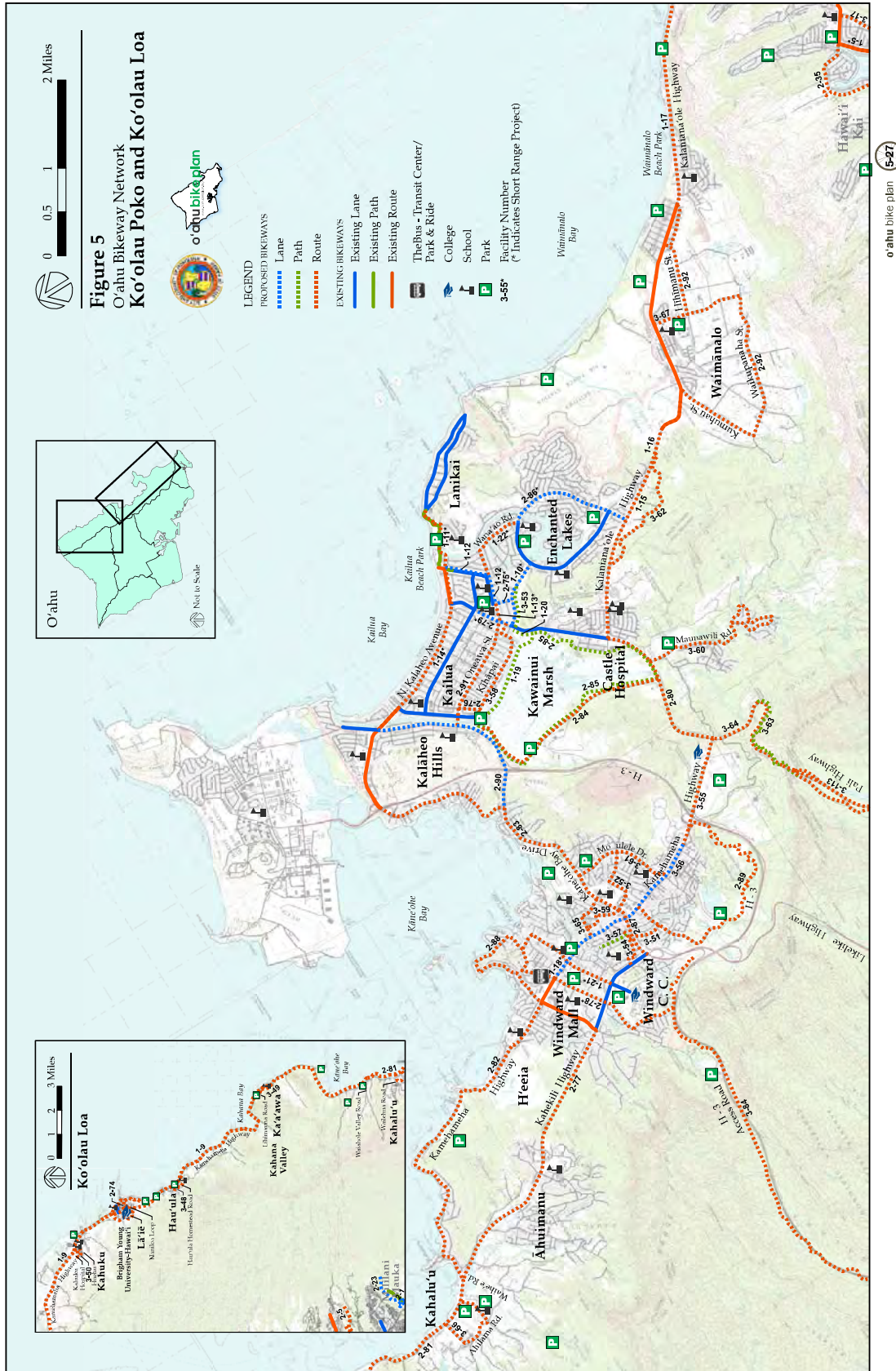


O'ahu bike plan 5-25



O'ahu bike plan 5-26

Figure 4
 O'ahu Bikeway Network
 Kalihi - Honolulu - Diamond Head



Appendix 4

O`ahu Bike Plan – Short-Range Implementation Plan Projects

The Short-Range Implementation Plan consists of 65 projects-the bulk of which could be completed by the next update of the plan. *Short-term* projects are permanent standalone Priority 1 projects with no secondary or follow-up components.

Table 10: Short-Range Implementation Plan Projects

Code	Name	Description	Length (miles)	Ultimate Facility	Short-Range Treatment	Ultimate Cost (\$,000)	Interim Cost (\$,000)	DP Area
1-2	Lanikūhana Avenue	South end of Meheula to Mililani Shopping Ctr.	2.64	R	sharrows	\$132	A	CO
1-4	Waipi'o Point Access Road (Southern Section)	Pearl Harbor Bike Path to Waipi'o Soccer Park	0.72	P	path	UC	A	CO
1-6	Wailua Street	Hawai'i Kai Drive to Lunailo Home Road	0.37	L	lane	\$42	A	EH
1-7+	Kapolei Parkway	Fort Barrette Road to Keone'ula Boulevard	4.10	L	sharrows	B	\$205	'Ewa
1-10+	Hāmākua Drive	Keolu Drive to Kailua Road	0.79	L	sharrows	B	\$39	KP
1-11	Kailua - Lanikai Connector	South Kalāheo to Kawailoa Rd. to Mokolua Drive	0.82	R	sharrows	\$41	A	KP
1-12	Kailua Road (Eastern Section)	Wana'ao Road to South Kalāheo Avenue	0.84	L	general improvements to existing lanes/sharrows on makai-bound lanes	\$97	A	KP
1-13	Kailua Road (Western Section)	Ku'ulei Road to Hahani Street	0.21	R	sharrows	\$11	A	KP
1-14	Kalāheo Avenue	Kāne'ohe Bay Drive to Kailua Road	2.12	R	shoulder improvements	UC	A	KP
1-18+	Kamehameha Highway (Kaneohe)	Kahuhipa Road to Kāne'ohe Bay Drive	1.09	L	sharrows	B	\$54	KP
1-21	Kea'alahua Road	Kahekili Highway to Lilipuna Road	1.28	R	sharrows	\$64	A	KP
1-22	Wana'ao Road	Kailua Road to Keolu Drive	0.85	R	sharrows	\$43	A	KP
1-26	18th Avenue	Diamond Head Road to Kilauea Avenue	0.33	L	lane	UC	A	PUC
1-28	Ala Moana Boulevard Path	Atkinson Drive to Ala Wai Canal	0.10	P	minor sidewalk Improvements	UC	A	PUC
1-29	Ala Wai Boulevard	Keoniana Street to Kalākāua Avenue	0.29	R	sharrows	\$15	A	PUC
1-31	Alohea Avenue	10th Avenue to Makapu'u Avenue	0.34	R	sharrows	\$17	A	PUC
1-33	Beretania Street (Southern Section)	University Avenue to McCully Street	0.78	L	lane	\$89	A	PUC
1-34	Civic Center Bike Path	Alapa'i Street to Richards Street	0.46	P	path widening	UC	A	PUC
1-35+	Cooke Street	Ilalo Street to South King Street	0.76	L	sharrows	B	\$38	PUC
1-36	Coyne Street	University Avenue to Isenberg Street	0.28	R	sharrows	UC	A	PUC
1-37+	Diamond Head Road	Pāki Avenue to Fort Ruger Park	1.47	L	lane/sharrows	B	UC	PUC
1-39	'Ena Road	Kalākāua Avenue to Ala Moana Boulevard	0.21	R	sharrows	\$10	A	PUC
1-40	Fort Street Mall	Nimitz Highway to Beretania Street	0.38	R	signage	\$15	A	PUC
1-41	Harding Avenue	Kapahulu Avenue to 16th Avenue	1.31	R	sharrows	\$65	A	PUC
1-42+	Honomanu Street	Moanalua Road to Kamehameha Highway	0.16	L	sharrows	B	\$8	PUC
1-43	Isenberg Street (Northern Section)	Coyne Street to South King Street	0.17	R	sharrows	\$8	A	PUC
1-44+	Ka'ahumanu Street	Kamehameha Highway to Komo Mai Drive	1.01	L	sharrows	B	\$51	PUC
1-45	Kāhala Avenue	Diamond Head Road to Keala'olu Avenue	1.51	R	sharrows	\$75	A	PUC
1-46	Kalākāua Avenue (Northern Section)	Beretania Street to Ala Moana Boulevard	0.98	R	sharrows	\$49	A	PUC
1-47	Kalākāua Avenue (Southern Section)	Saratoga Road to Kapahulu Avenue	0.95	L	lane	UC	A	PUC
1-49	Kālia Road	Ala Moana Boulevard to Saratoga Road	0.49	R	sharrows	\$25	A	PUC
1-50	Kapahulu Avenue	Kalākāua Avenue to Old Wai'ālae Road	1.56	R	sharrows	UC	A	PUC
1-53	Kilauea Avenue	Wai'ālae Avenue to Makapu'u Avenue	1.56	R	sharrows	\$78	A	PUC
1-54	King Street (Southern Section)	South Street to Kapi'olani Boulevard	2.84	L	lane	\$326	A	PUC
1-55	Kuala Street	Kamehameha Highway to Waimano Home Road	1.02	L	lane	\$117	A	PUC
1-56	Kūhiō Avenue	Kalākāua Avenue to Kapahulu Avenue	1.17	R	sharrows	\$59	A	PUC

Key	CO Central O'ahu
L Lane	EH East Honolulu
R Route	KP Ko'olau Piko
P Path	NS North Shore
UC Under design/ construction	PUC Primary Urban Center

Notes: Costs not provided for City projects under design or construction (i.e., "UC" projects in table).
 "+" denotes interim treatments of longer term projects. All other short-range projects in table represent the permanent or "ultimate" projects.
 "A" indicates projects with no interim cost associated because the short-range treatment is the ultimate facility.
 "B" See Tables 5 and 6 for cost of ultimate projects.

Table 10: Short-Range Implementation Plan Projects (continued)

Code	Name	Description	Length (miles)	Ultimate Facility	Short-Range Treatment	Ultimate Cost (1,000)	Interim Cost (1,000)	DP Area
1-57	Makapu`u Avenue	K lauea Avenue to Diamond Head Road	0.27	L	uphill lane/downhill sharrow	UC	A	PUC
1-58+	McCully Street	Kapi`olani Boulevard to H-1 Freeway	0.61	L	sharrows	B	\$31	PUC
1-59+	Moanalua Road (Pearl City)	Ho`omalua Street to Waimano Home Road	0.60	L	sharrows	B	\$30	PUC
1-61+	Monsarrat Ave. – Diamond Head Road	Kapahulu Avenue to Fort Ruger Park	2.36	L	lane/sharrows	B	UC	PUC
1-62	Noelani Street	Moanalua Road to Kaahumanu Street	0.72	R	sharrows	\$36	A	PUC
1-64	Pālolo Loop (10 th Ave)	Alohea Ave and 10 th Ave to Pālolo Place	2.62	R	sharrows	\$131	A	PUC
1-65	Pālolo Loop (Pālolo Ave)	Alohea Ave / 10 th Ave Intersection to Pālolo Place	2.83	R	sharrows	\$142	A	PUC
1-66+	Pearl Harbor Bike Path Access PHBP Connector--Lehua Avenue	Kamehameha Highway to Pearl Harbor Bike Path	0.34	L	sharrows	B	\$17	PUC
1-67	Pensacola Street	Waimanu Street to Wilder Avenue	1.05	R	sharrows	\$53	A	PUC
1-68	PHBP Connector – Hekaha Street	Kamehameha Highway to Pearl Harbor Bike Path	0.09	L	lane	\$11	A	PUC
1-69	PHBP Connector – Kanuku Street	Kamehameha Highway to Pearl Harbor Bike Path	0.05	L	lane	\$6	A	PUC
1-70	Pi`ikoi Street	Ala Moana Boulevard to Wilder Avenue	1.20	R	sharrows	\$60	A	PUC
1-71	Queen Street	Fort Street Mall Path to Pi`ikoi Street	1.63	R	sharrows	\$82	A	PUC
1-72	Queen’s Beach Trail (South Section)	Beach Trail to Kalākaua Avenue (at Natatorium)	0.07	P	widen existing sidewalk	\$51	A	PUC
1-73	Saratoga Road	Kālia Road to Kalākaua Avenue	0.27	R	sharrows	\$14	A	PUC
1-74	School Street	‘Iolani Avenue to Middle Street	2.68	R	sharrows	UC	A	PUC
1-75	Thomas Square Park	Victoria Street to Ward Avenue	0.11	P	path	UC	A	PUC
1-76+	University Avenue	Dole Street to Maile Way	0.36	L	sharrows	B	UC	PUC
1-77	Varsity Place	University Avenue to Lower Campus Road	0.27	R	sharrows	UC	A	PUC
1-79	Wai`alae Avenue (Eastern Section)	11 th Avenue to 17 th Avenue	0.49	R	sharrows	\$25	A	PUC
1-81+	Wai`alae Avenue (Western Section)	Kapahulu Avenue to 11 th Avenue	0.91	L	sharrows	B	UC	PUC
1-82+	Young Street	Pensacola Street to Isenberg Street	1.40	L	sharrows	B	UC	PUC
2-75+	Hahani Street	Kailua Road to Hāmākua Road	0.19	L	sharrows	B	\$10	KP
2-24+	Mokuola Street	Nali`i Street to Farrington Highway	0.20	L	sharrows	B	\$10	CO
2-86+	Keolu Drive	Kalaniana`ole Highway to Wana`ao Road	1.46	L	sharrows	B	\$73	KP
2-78	Kahuhipa Street	Kamehameha Highway to Lōli`i Street	1.09	R	sharrows	\$55	A	KP
2-79+	Kailua Road – Ku`ulei Road	Hāmākua Drive to Kainalu Drive	0.47	L	sharrows	B	\$23	KP
2-111+	Hotel Street	Alapa`i Street to Ward Avenue	0.26	L	sharrows	B	\$13	PUC
2-128+	Metcalf Street	McCully Bridge to Wilder Avenue	0.18	L	sharrows	B	\$9	PUC
Total Length (rounded): 62 miles					Subtotal Costs (rounded):		\$2,044	\$611
SHORT-RANGE IMPLEMENTATION PLAN GRAND TOTAL COSTS (ROUNDED): \$2.7 MILLION								

Appendix 5

O`ahu Bike Plan - Benchmarks

Benchmark (2-Year)	DTS Met	Met by 3rd Party	Partially Met
Goal #1: To increase the mode share of bicycle trips.			
<i>Objective #1: Increase the number of people who ride bicycles.</i>			
Continue to hold and promote, in collaboration with bicycling partners (DOT, HBL, and cycling groups), the annual Bike to Work Week and Bike to School events	1		
Establish a one day street closure for bicycle/pedestrian festival			
Develop a plan to create baseline inventory of bike traffic counts at selected screen-lines along corridors, with participation from bicycling partners; publish resulting data. Organize and implement an annual bike count day.		1	
Increase mode split from 2010 US Census Bureau American Community Survey (1.63% for Honolulu) by 25%.	1		
Bicycle license registrations have increased to 25,000/yr (from historical 5-yr average of 23,000/year)	1		
<i>Objective #2: Increase the number of bicycle trips.</i>			
Establish baseline inventory of bicycle trip counts		1	
<i>Objective #3: Provide and maintain a continuous bicycle network</i>			
Identify sufficient sources of funds to design and construct desired bicycling facilities. Create an implementation process for how high-priority projects will be built with guidance from major stakeholders.			1
<i>Objective #4: Provide and maintain bicycle support facilities (e.g., showers and bicycle racks)</i>			
Coordinate with DPP to introduce an amendment to the Land Use Ordinance/Building Code that follows LEED-NC Bicycle Support Facilities credit requirements.			1
Support establishment of attended parking/showers/lockers facility in Downtown Honolulu through tax incentives or other economic incentives.			
Implement O`ahu Bike Plan standards for City Parks bicycle parking.			
Initiate an outreach program to educate employers on the benefits of commuter cycling and participation in LAB's BFB program. Host an annual recognition program for employers that have adopted bike friendly personnel policies.			
City hosts two events using bike valets	1		

Benchmark (2-Year)	DTS Met	Met by 3rd Party	Partially Met
Goal #2: To enhance cooperation between roadway users.			
<i>Objective #5: Increase the awareness of bicyclists, motorists, and pedestrians of their rights and responsibilities.</i>			
Expand the BikeEd grant to increase the number of 4th graders who receive bicycle education through BikeEd to 80%. Initiate an Adult BikeEd program to encourage bicycle use.		1	
Engage bicycling partners in planning annual island-wide events promoting cycling activities	1		
Expand bicycle education to include classes for adults. Work with city parks dept. to include safe cycling education in its list of offered programs/classes.		1	
<i>Objective #6: Enforce the traffic code.</i>			
Broadcast one new PSA reminding motorists and bicyclists of their rights and responsibilities on the road, emphasizing safety for all roadway users, and that bicyclists may use full lane. Increase traffic code enforcement-including bicycle-related infractions.	1		
Goal #3: To encourage and promote bicycling as a safe, convenient, and pleasurable means of travel			
<i>Objective #7: Provide a variety of bikeways.</i>			
Identify sufficient sources of funds to design and construct desired bicycling facilities.	1		
<i>Objective #8: Reduce the number of traffic crashes involving bicycles.</i>			
Implement a program where state and city agencies set bicycle safety metrics and publish an annual report. Establish a baseline of crash data.		1	
<i>Objective #9: Reduce the number of bicycle thefts.</i>			
Continue to install bicycle parking in safe, secure areas visible to passerby. Install bike lockers at various high volume destinations. Coordinate with HPD to obtain data on number of bicycle thefts.			1
<i>Objective #10: Increase the number of visitors who ride bicycles.</i>			
Obtain baseline information on number of bicycle rentals.			
Distribute visitor-friendly maps of O`ahu's bicycle network and popular destinations to hotels to be made available to each guest.			
HVCB, HTA, hotels, bike shops promote bicycle tours, club rides, and rentals.	1		

Benchmark (2-Year)	DTS Met	Met by 3rd Party	Partially Met
<i>Objective #11: Ensure integration of bicycles with transit.</i>			
Identify and install lockers or other long-term bicycle parking at two major transit centers according to O`ahu Bike Plan standards.			
Establish a wayfinding signage program.			
Coordinate with Google to sync O`ahu bicycle maps other modes of Google trip planning.			1
<i>Objective #12: Maintain existing bikeways in safe, rideable condition.</i>			
Establish procedure/mechanism to enter and store bikeway condition/maintenance information in geospatial data format. Trouble call and complaint logs established and maintained.		1	
Debris and potholes on bikeways are cleared/patched within one week of being reported, resulting in significant reduction in backlog.			1
Bicycle-unfriendly grates in bikeways are replaced with bicycle-friendly grates.			
Goal #4: To be recognized by LAB as a Bicycle-Friendly Community.			
<i>Objective #13: Implement the O`ahu Bicycle Master Plan.</i>			
Broadcast one new PSA illustrating the health benefits and convenience of bicycle riding.	1		
Prepare and distribute bicycle maintenance improvement request form online, to bike shops, satellite city halls, etc. Use Facility Inventory Database to streamline maintenance requests and establish a baseline.			
Seek Mayor's Advisory Committee on Bicycling advice on the O`ahu Bike Plan implementation and annual goal-setting.	1		
In association with bike partners, host a county-wide forum to discuss bike planning tools and techniques.	1		
Achieve LAB Bronze status.	1		
Maintain and enhance the O`ahu Bike Plan website as a central repository for bicycle plan information as well as other bicycling information.	1		
<i>Objective #14: Provide funding to achieve the goals of the Plan.</i>			
Secure funding for Short-Range implementation Plan projects.	1		
Total	14	6	5

Source: O`ahu Bike Plan, Department of Transportation Services

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Appendix 6

List of 32 Projects Sampled

No.	Project ^{1, 2}	Dept. (DTS, DDC, DFM)	Contract No.	Contractor(s)	Fund No	Initial Contract amount	Bike Costs	No. of Projects	Formal Policies & Procedures Exist	Project Start Date	Project Complete Date	Project Closeout Date
1	Keolu Drive (Rehabilitation of Streets, Unit 52)	DDC	CT-DDC-0900426	Grace Pacific Corp.	620	\$6,980,013	Unknown	1	No	8/31/2009	3/16/2010	7/8/2014
2	Asing Park-Misc. Bike Path Improvements	DTS	F06216	Site Engineering (Kaikōr)	-	\$189,500	Unknown	0	No	None	Cancelled	N/A
3	Thomas Square Park and Civic Center Bike Path Center (design) ²	DTS	SC-DTS-1100094	Austin, Tsutsumi & Assoc.	620	\$150,000	\$108,253	1	No	8/1/2011	Ongoing	N/A
4	Date Street Bike Path Rehabilitation (construction)	DTS	CT-DTS-1100472	Integrated Construction	620	\$339,850	\$347,392	1	No	5/21/2012	12/31/2013	3/7/2015
5	Date Street Bike Path Rehabilitation (design)	DTS	SC-DTS-1000160	AECOM Pacific	620	\$65,000	\$64,990	1	No	8/9/2010	2/18/2014	5/13/2014
6	Diamond Head/Monsarrat Avenue/Makapu'u Avenue/18 th Avenue Bikeway Improvements (construction) ²	DTS	CT-DTS-1400188	Royal Contracting	140, 630	\$241,013	\$97,062	1	No	10/10/2014	Ongoing	N/A
7	Diamond Head/Monsarrat Avenue/Makapu'u Avenue/18 th Avenue Bikeway Improvements (design) ²	DTS	SC-DTS-1200121	Fukunaga & Associates	140, 620	\$148,000	\$174,962	1	No	10/1/2012	Ongoing	N/A
8	Kalāheo Avenue Shoulder Improvements (design) ²	DTS	SC-DTS-1000154	Fukunaga & Associates	620	\$229,480	\$213,268	1	No	8/9/2010	12/20/2013	2/4/2015
9	Kalāheo Avenue Shoulder Improvements (inspection) ²	DTS	SC-DTS-1200124	Manthos Engineering	140, 630	\$105,000	\$101,653	1	No	7/1/2012	6/4/2014	7/31/2014
10	Kalāheo Avenue Shoulder Improvements (construction) ²	DTS	CT-DTS-1200186	Ideal Construction	140, 620	\$398,365	\$418,105	1	No	9/4/2012	11/9/2012	4/23/2014

No.	Project ^{1,2}	Project Actual Cost (As of 3/12/15)	Bike Related Cost	Project Data Consistent	Project Data Reliable	Project Data Readily Available	Funding Data Complete	Funding Data Readily Available	Project/Fund Data Accurate
1	Keolu Drive (Rehabilitation of Streets, Unit 52)	\$6,588,689	Unknown	No	No	No	No	No	Unknown
2	Asing Park-Misc. Bike Path Improvements	Unknown	Unknown	No	No	No	No	No	Unknown
3	Thomas Square Park and Civic Center Bike Path Center (design) ²	\$108,253	\$108,253	No	No	No	No	No	Unknown
4	Date Street Bike Path Rehabilitation (construction)	\$347,392	\$347,392	No	No	No	No	No	Unknown
5	Date Street Bike Path Rehabilitation (design)	\$64,990	\$64,990	No	No	No	No	No	Unknown
6	Diamond Head/Monsarrat Avenue/Makapu'u Avenue/18 th Avenue Bikeway Improvements (construction) ²	\$97,062	\$97,062	No	No	No	No	No	Unknown
7	Diamond Head/Monsarrat Avenue/Makapu'u Avenue/18 th Avenue Bikeway Improvements (design) ²	\$174,962	\$174,962	No	No	No	No	No	Unknown
8	Kalaheo Avenue Shoulder Improvements (design) ²	\$213,268	\$213,268	No	No	No	No	No	Unknown
9	Kalaheo Avenue Shoulder Improvements (inspection) ²	\$101,653	\$101,653	Yes	No	No	no	No	Unknown
10	Kalaheo Avenue Shoulder Improvements (construction) ²	\$418,105	\$418,105	No	No	No	No	No	Unknown

No.	Project ^{1,2}	Dept. (DTS, DDC, DFM)	Contract No.	Contractor(s)	Fund No	Initial Contract amount	Bike Costs	No. of Projects	Formal Policies & Procedures Exist	Project Start Date	Project Complete Date	Project Closeout Date
11	Kalaka'ua Avenue Bike Lanes/Lei of Parks Route One (design) ²	DTS	SC-DTS-1000153	Wilson Okamoto	620	\$159,600	\$151,582	1	No	8/9/2010	Ongoing	N/A
12	Kalaka'ua Avenue Bike Lanes/Lei of Parks Route One (construction) ²	DTS	CT-DTS-1200408	Rons Construction	140, 630	\$304,670	\$310,970	1	No	10/9/2012	11/15/2012	5/22/2013
13	Kapahulu Avenue	DTS	None	-	-	-	None	0	No	None	Cancelled	N/A
14	Ke Ala Pupukea-Misc. Bike Path Improvements	DTS	F06226 (F-98471)	tm DESIGNERS (Kaikor)	-	\$141,450	Unknown	0	No	None	Cancelled	N/A
15	Kealaolu Avenue Shoulder Improvements (design)	DTS	SC-DTS-1000177	Belt Collins	620	\$111,000	\$104,028	1	No	1/12/2011	Ongoing	N/A
16	Kewalo Basin-Misc. Bike Path Improvements	DTS	F06236 (F-98471)	Haron Construction (Kaikor)	-	\$60,000	Unknown	0	No		Cancelled	N/A
17	Meheula Parkway Improvements (construction)	DTS	CT-DTS-1000520	GP Roadway	620	\$61,090	\$61,240	1	No	11/8/2010	1/6/2011	8/5/2011
18	Meheula Parkway Improvements (design)	DTS	SC-DTS-0900182	Park Engineering	620	\$62,500	\$62,500	1	No	8/18/2009	Unknown	N/A
19	Metcaif Street Improvements	DTS	None	-	-	-	None	0	No	None	Cancelled	N/A
20	Misc. UH Improvements	DTS	None	-	-	-	None	0	No	None	Cancelled	N/A
	Pre-January 2013 Total					\$9,746,531						
21	Beretania Street (Rehabilitation of Streets, Unit 64) ²	DDC	CT-DDC-1300367	Road and Highway Builders, LLC	620	\$9,444,444	Unknown	1	No	6/30/2014	Ongoing	N/A
22	Civic Center Bike Path Improvements (inspection) ²	DTS	SC-DTS-1300028	Manthos Engineering	140, 630	\$242,000	\$256,111	1	No	6/17/2013	Ongoing	N/A
23	Civic Center Bike Path Improvements (construction) ²	DTS	CT-DTS-1300209	MEI Corporation	140, 630	\$361,000	\$212,393	1	No	9/9/2013	Ongoing	N/A

No.	Project ^{1,2}	Project: Actual Cost (As of 3/12/15)	Bike Related Cost	Project Data Consistent	Project Data Reliable	Project Data Readily Available	Funding Data Complete	Funding Data Readily Available	Project/Fund Data Accurate
11	Kalakaua Avenue Bike Lanes/Lei of Parks Route One (design) ²	\$151,582	\$151,582	No	No	No	No	No	Unknown
12	Kalakaua Avenue Bike Lanes/Lei of Parks Route One (construction) ²	\$310,970	\$310,970	No	No	No	No	No	Unknown
13	Kapahulu Avenue	-	N/A	No	No	No	No	No	Unknown
14	Ke Ala Pupukea-Misc. Bike Path Improvements	Unknown	Unknown	No	No	No	No	No	Unknown
15	Kealaolu Avenue Shoulder Improvements (design)	\$104,028	N/A	No	No	No	No	No	Unknown
16	Kewalo Basin-Misc. Bike Path Improvements	Unknown	N/A	No	No	No	No	No	Unknown
17	Meheula Parkway Improvements (construction)	\$61,240	N/A	Yes	Yes	No	No	No	Unknown
18	Meheula Parkway Improvements (design)	\$62,500	N/A	No	No	No	No	No	Unknown
19	Metcalf Street Improvements	-	N/A	No	No	No	No	No	Unknown
20	Misc. UH Improvements	-	N/A	No	No	No	No	No	Unknown
	Pre-January 2013 Total								
21	Beretania Street (Rehabilitation of Streets, Unit 64) ²	Unknown	Unknown	No	No	No	No	No	Unknown
22	Civic Center Bike Path Improvements (inspection) ²	\$256,111	N/A	No	No	No	No	No	Unknown
23	Civic Center Bike Path Improvements (construction) ²	\$212,393	N/A		No	No	No	No	Unknown

No.	Project ^{1,2}	Dept. (DTS, DDC, DFM)	Contract No.	Contractor(s)	Fund No	Initial Contract amount	Bike Costs	No. of Projects	Formal Policies & Procedures Exist	Project Start Date	Project Complete Date	Project Closeout Date
24	Diamond Head/Monsarrat Avenue/Makapu'u Avenue/18 th Avenue Bikeway Improvements (inspection) ²	DTS	SC-DTS-1500001	Manthos Engineering	140, 630	\$125,600	\$58,726	1	No	9/8/2014	Ongoing	N/A
25	Hamakua Drive Bikeway Improvements (design)	DTS	SC-DTS-1400101	AECOM Technical Services	140, 630	\$100,000	\$32,750	1	No	8/1/2014	Ongoing	N/A
26	Kealaolu Avenue Shoulder Improvements (construction)	DTS	CT-DTS-1300212	Mega Construction	140, 630	\$803,236	\$748,226	1	No	8/1/2013	6/9/2014	12/12/2014
27	Kealaolu Avenue Shoulder Improvements (inspection)	DTS	SC-DTS-1300096	Manthos Engineering	140, 630	\$271,000	\$219,943	1	No	7/8/2013	Ongoing	N/A
28	Coyne Street, Varsity Place, Young Street (Rehabilitation of Localized Streets, Phase 6A) ²	DDC	CT-DDC-1100399	Grace Pacific Corp.	620	\$11,410,348	Unknown	3	No	3/5/2012	TBD	N/A
29	Wailua Street (Rehabilitation of Streets, Unit 25)	DDC	CT-DDC-1200321	Grace Pacific Corp.	620	\$9,569,425	Unknown	1	No	3/4/2013	5/1/2014	N/A
30	Waiatae Ave. (Rehabilitation of Streets, Unit 57) ²	DDC	CT-DDC-1100400	Jas. W. Glover, Ltd.	620	\$9,361,775	Unknown	1	No	7/2/2012	Ongoing	N/A
31	Waipio Point Access Road Improvements (Southern Section) ²	DTS	CT-DTS-1000174	Haron Construction, Inc.	630	\$2,969,740	Unknown	1	No	10/4/2010	4/9/2012	11/14/2014
32	King Street Cycle Track (Southern Section) ²	DTS/DFM	n/a	n/a	DTS could not provide	n/a	Unknown	1	No	Unknown	12/6/2014	N/A
	Post-January 2013 Total					\$44,658,568						
	Grand Total					\$54,405,099						

No.	Project ^{1, 2}	Project: Actual Cost (As of 3/12/15)	Bike Related Cost	Project Data Consistent	Project Data Reliable	Project Data Readily Available	Funding Data Complete	Funding Data Readily Available	Project/ Fund Data Accurate
24	Diamond Head/Monsarrat Avenue/Makapu'u Avenue/18 th Avenue Bikeway Improvements (inspection) ²	\$58,726	N/A	No	No	No	No	No	Unknown
25	Hamakua Drive Bikeway Improvements (design)	\$32,750	N/A	No	No	No	No	No	Unknown
26	Kealaolu Avenue Shoulder Improvements (construction)	\$748,226	N/A	No	No	No	No	No	Unknown
27	Kealaolu Avenue Shoulder Improvements (inspection)	\$219,943	N/A	No	No	No	No	No	Unknown
28	Coyne Street, Varsity Place, Young Street (Rehabilitation of Localized Streets, Phase 6A) ²	\$11,418,151	Unknown	No	No	No	No	No	Unknown
29	Wailua Street (Rehabilitation of Streets, Unit 25)	\$9,071,451	Unknown	No	No	No	No	No	Unknown
30	Waialae Ave. (Rehabilitation of Streets, Unit 57) ²	\$10,595,945	Unknown	No	No	No	No	No	Unknown
31	Waipio Point Access Road Improvements (Southern Section) ²	\$3,003,402	Unknown	Yes	Yes	No	Yes	No	Unknown
32	King Street Cycle Track (Southern Section) ²	Unknown	Unknown	Unknown	Unknown	No	No	No	Unknown
	Post-January 2013 Total								
	Grand Total								

¹ The city departments (DTS, DDC, DFM, and DPP) lacked a common definition for bike projects, bike contracts, and bike facilities. We therefore defined any project or contract that involved bikeways, bike related facilities, or bike supporting infrastructure as one bike project.

² Project was included in the 2012 O'ahu Bike Plan Short Range Implementation Plan. (-) Denotes project is in-progress and not complete

³ Department of Transportation Services (DTS), Department of Design and Construction (DDC), Department of Facilities Management (DFM), Department of Planning and Permitting (DPP).

⁴ The total contract amount is the initial contract amount and includes bike and non-bike project costs. Contract amendments, if any, increased the total contract amount.

N/A = Not Available

Source: Department of Transportation Services and Department of Design and Construction files

Appendix 7

O`ahu Bike Plan – Bike Funds Appropriations and Lapsed Funds

<i>Fiscal Year</i>	<i>Amounts appropriated</i>	<i>Amount expended/encumbered</i>	<i>Amount Lapsed</i>	<i>Funds Lapsed (%)</i>
2013-2014	\$1,054,000	\$700,120	\$353,880	33.57%
Post January 2013 Total	\$1,054,000	\$700,120	\$353,880	33.57%
2012-2013	\$1,343,600	\$1,035,567	\$308,033	22.93%
2011-2012	\$1,080,800	\$1,065,638	\$15,163	1.40%
2010-2011	\$2,256,000	\$993,735	\$1,262,265	55.95%
2009-2010	\$1,150,000	\$538,135	\$611,865	53.21%
2008-2009	\$1,001,000	\$886,312	\$114,688	11.46%
2007-2008	\$1,000,000	\$461,725	\$538,275	53.83%
2006-2007	DTS reports there was no CIP funding for Bicycle Projects in FY 07			
2005-2006	\$447,000	\$10,000	\$437,000	97.76%
Pre-January 2013 Total	\$8,278,400	\$4,991,112	\$3,287,288	39.71%
Total	\$9,332,400	\$5,691,232	\$3,641,168	39.02%

Source: Department of Transportation Services and Office of the City Auditor

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Appendix 8

Federally Funded Bike Projects (10 Projects)

<i>Project</i>	<i>Contract No.</i>	<i>Contractor</i>	<i>Notice to Proceed (NTP) Date</i>	<i>Date Completed</i>	<i>Fund No.</i>	<i>Total Contract Amount¹</i>	<i>Bike Cost</i>
Waipio Point Access Road (Southern Section)	CT-DTS-1000174	Haron Construction, Inc.	10/4/2010	10/16/2012	630	\$2,969,740	Unknown
Kalaheo Avenue (inspection)	SC-DTS-1200124	Manthos Engineering	7/1/2012	6/04/2014	140, 630	\$105,000	\$101,653
Kalaheo Avenue (construction)	CT-DTS-1200186	Ideal Construction	9/4/2012	11/09/2012	140, 630	\$398,365	\$418,105
Pre-January 2013						\$3,473,105	
Civic Center (inspection)	SC-DTS-1300028	Manthos Engineering	6/17/2013	-	140, 630	\$193,600	\$256,111
Kealaolu Avenue (inspection)	SC-DTS-1300096	Manthos Engineering	7/8/2013	-	140, 630	\$271,000	\$219,943
Kealaolu Avenue (construction)	CT-DTS-1300212	Mega Construction	8/1/2013	5/28/2014	140, 630	\$803,236	\$748,226
Civic Center Bike Path (construction)	CT-DTS-1300209	MEI Corporation	9/9/2013	-	140, 630	\$361,000	\$212,393
Hamakua (design)	SC-DTS-1400101	AECOM Technical Services	8/1/2014	-	140, 630	\$100,000	\$32,750
Diamond Head (inspection)	SC-DTS-1500001	Manthos Engineering	9/8/2014	-	140, 630	\$125,600	\$58,276
Diamond Head (construction)	CT-DTS-1400188	Royal Contracting	DTS is waiting for Construction Manager input	-	140, 630	\$241,013	\$97,062
Post January 2013						\$2,095,449	
Total						\$5,568,554	

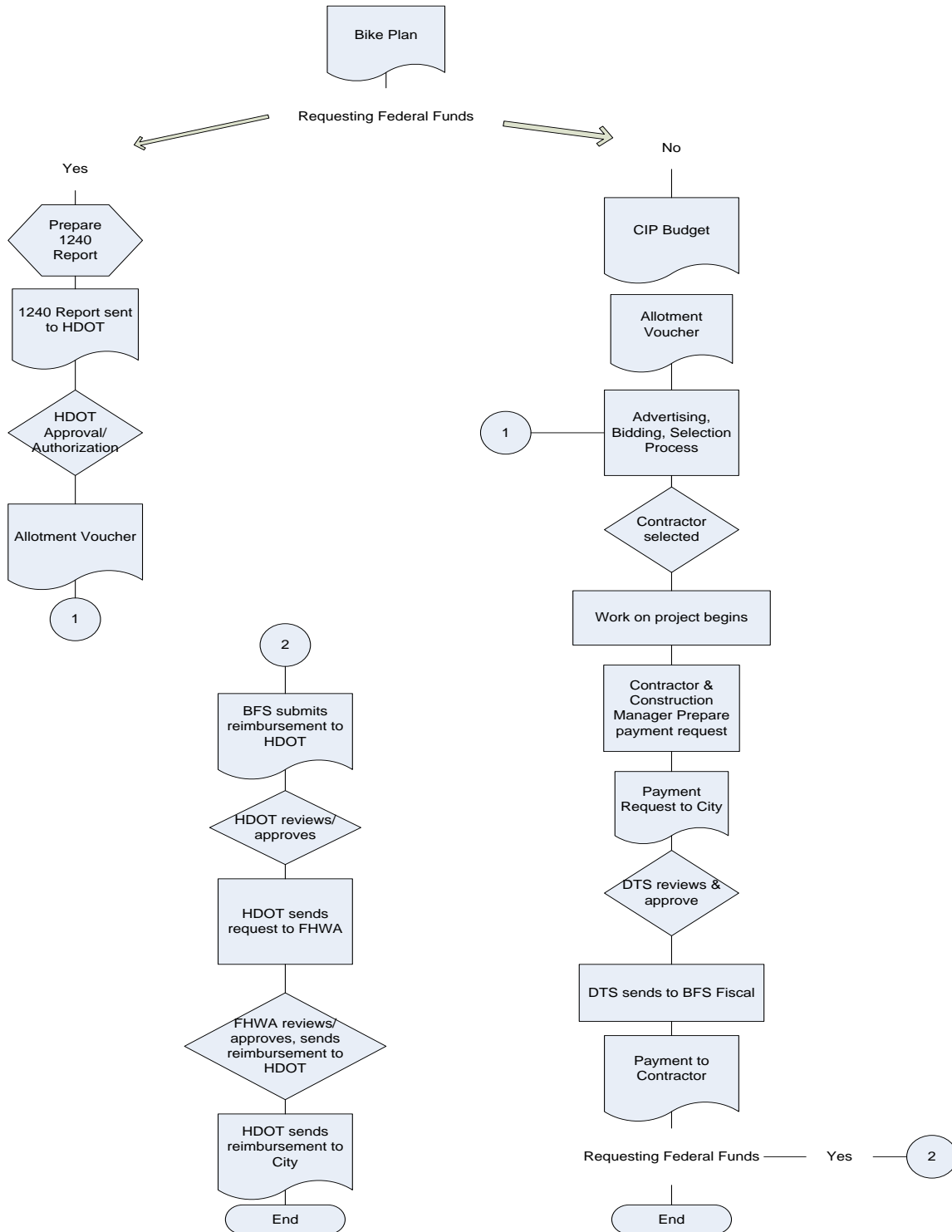
¹ The total contract amount is the initial contract amount and includes bike and non-bike project costs. Contract amendments, if any, increased the total contract amount.

Source: Department of Transportation Services

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Appendix 9

Flowchart of Federally Funded Bike Project



Source: Department of Transportation Services and Office of the City Auditor

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Appendix 10

City Council Resolution 10-297



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 10-297

RESOLUTION

REQUESTING AN AUDIT OF THE FUNDS APPROPRIATED FOR BICYCLE PROJECTS.

WHEREAS, bicycling has many benefits for the community, as well as for large and growing numbers of bicyclists on Oahu, including:

- Providing a convenient, effective, and alternative form of transportation that helps reduce traffic congestion and parking requirements;
- Supporting and enhancing physical health in an outdoor environment through exercise and recreation; and
- Representing an environmentally friendly activity that does not rely on the consumption of fossil fuels and produces no pollution. Every bicycle on the road represents one less automobile adding to pollution emissions;

and

WHEREAS, during the 2006 general election, Honolulu voters overwhelmingly approved a city charter amendment that makes it a priority for Honolulu to be a pedestrian- and bicycle-friendly city; and

WHEREAS, this priority is reflected in the General Plan of the City and County of Honolulu, which includes the following policy:

"Develop and maintain an integrated ground transportation system consisting of ... bikeways for recreational activities and trips to work, schools, shopping centers, and community facilities ...";

and

WHEREAS, in order to implement this city priority and policy, the city council appropriated \$1 million for bicycle projects (project number 1979063) in the Executive Capital Budget for Fiscal Year 2008 ("FY 2008"; Ordinance 07-25); and

WHEREAS, the report: "Line-Item Details on the Capital Budget for FY 2008" (2007 Dept. Com. No. 148) reveals the funds would be used for various projects including updating the Honolulu Bicycle Master Plan, as well as providing planning, design and construction funds for bicycle improvements on Metcalf Street, Meheula Parkway, Kapahulu Avenue and the University of Hawaii area; and



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 10-297

RESOLUTION

WHEREAS, according to the Office of Council Services' report: "Issue Profile— Status of the City's Finances, 2010," over half (53.6%) of the \$1 million appropriated for bicycle projects in FY 2008 lapsed; and

WHEREAS, in FY 2007, no bicycle projects were budgeted, and in FY 2006, over ninety percent of the \$447,000 appropriation for bicycle projects lapsed; and

WHEREAS, the city council finds that this funding history for bicycle projects hinders the city's priority and policy to make Honolulu a bicycle-friendly city and to develop an integrated transportation system that includes bikeways; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it requests the city auditor to conduct an audit of the funds appropriated for bicycle projects to determine why such funding lapses at such a high rate and receives such low priority; and

BE IT FURTHER RESOLVED that the council urges the city administration to recommit the city to help Honolulu become a bicycle-friendly city, and to ensure that all current and future funding for bicycle projects help further this goal; and



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 10-297

RESOLUTION

BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the mayor, managing director, and the directors of transportation services and budget and fiscal services.

INTRODUCED BY
[Handwritten Signature]

DATE OF INTRODUCTION:

OCT 15 2010

Honolulu, Hawaii

Councilmembers

CITY COUNCIL
 CITY AND COUNTY OF HONOLULU
 HONOLULU, HAWAII
 CERTIFICATE

RESOLUTION 10-297

Introduced: 10/15/10 By: DONOVAN DELA CRUZ

Committee: EXECUTIVE MATTERS
 AND LEGAL AFFAIRS

Title: RESOLUTION REQUESTING AN AUDIT OF THE FUNDS APPROPRIATED FOR BICYCLE PROJECTS.

Links: [RES10-297](#)
[CR-362](#)


NOTE: EFFECTIVE NOVEMBER 2, 2010, COUNCILMEMBER DONOVAN DELA CRUZ, REPRESENTING COUNCIL DISTRICT II, RESIGNED FROM OFFICE. (Refer to Communication CC-192)

ON NOVEMBER 8, 2010, THE APPOINTMENT OF REED MATSUURA WAS APPROVED (Refer to RES10-313) AND HE WAS SWORN INTO OFFICE AS A MEMBER OF THE HONOLULU CITY COUNCIL REPRESENTING DISTRICT II TO FILL THE REMAINING TERM OF FORMER COUNCILMEMBER DONOVAN DELA CRUZ.

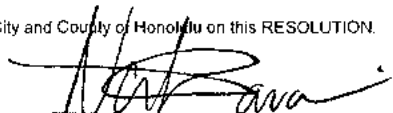
NOTE: EFFECTIVE NOVEMBER 8, 2010, COUNCILMEMBER TODD APO, REPRESENTING COUNCIL DISTRICT I, RESIGNED FROM OFFICE. (Refer to Communication CC-193)

EXECUTIVE MATTERS AND LEGAL AFFAIRS	11/10/10	CR-362 – RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION.
COUNCIL	11/22/10	CR-362 AND RESOLUTION 10-297 WERE ADOPTED.
ANDERSON	Y	CACHOLA Y DONOHUE Y GARCIA Y KOBAYASHI Y
MATSUURA	Y	OKINO Y TAM Y

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.



 BERNICE K. N. MAU, CITY CLERK



 NESTOR R. GARCIA, CHAIR AND PRESIDING OFFICER