

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII 96813-3077

COMMITTEE ON TRANSPORTATION

Voting Members:
Breene Harimoto, Chair
Joey Manahan, Vice Chair
Carol Fukunaga
Ron Menor
Kymberly Marcos Pine

MINUTES

REGULAR MEETING
THURSDAY, MARCH 28, 2013

COUNCIL COMMITTEE MEETING ROOM
2ND FLOOR, HONOLULU HALE
HONOLULU, HAWAII 96813

Note: The video of the full proceedings of this meeting can be viewed at <http://www1.honolulu.gov/cameras/council/index.htm> or a copy of the video may be requested by calling the City Clerk's Office at 768-5822.

CALL TO ORDER

The regular meeting of the Committee on Transportation was called to order by Committee Chair Breene Harimoto at 1:03 p.m. Voting Members Fukunaga, Manahan, Menor and Pine were present at the meeting. Non-voting Member Kobayashi (temporary voting member for quorum) also attended the meeting.

STAFF PRESENT

Frank Streed, Senior Advisor to Committee Chair Harimoto
Lori Hiraoka, Attorney, Office of Council Services
Douglas Chun, Analyst, Office of Council Services
Krishna Jayaram, Deputy Corporation Counsel, Department of the Corporation Counsel,
assigned to the Committee
Pearlene Otto, Council Committee Aide, Office of the City Clerk

ORDER OF BUSINESS

APPROVAL OF MINUTES

The minutes of the February 14, 2013 and the February 28, 2013 meetings of the Committee on Transportation were approved as circulated.

AYES: KOBAYASHI (temporary voting member), PINE, HARIMOTO – 3.
NOES: None.
EXCUSED: FUKUNAGA, MANAHAN, MENOR – 3.

FOR ACTION

1. RESOLUTION 13-50 – COMMITTEE REPORT 94

URGING THE MAYOR TO ESTABLISH A JOINT WORKING GROUP TO FORMULATE RECOMMENDATIONS REGARDING HOW BEST TO DESIGN A “SHARED-USE PATH” IN THE THOMAS SQUARE AREA.

Administration/Others

Michael D. Formby, Director, Department of Transportation Services

Councilmember Kobayashi thanked Committee Chair Harimoto for placing the Resolution on the agenda. She explained that both she and Committee Member Fukunaga introduced the Resolution for the improvement and enhancement of Thomas Square Park to promote the area as a cultural recreational center.

Director Formby testified that he stood on his written testimony identified as Communication D-193 in support of the Resolution. He noted that due to Thomas Square’s historical significance, implementation of the working group’s recommendations would be coordinated through several organizations to ensure consistency of historical restoration guidelines.

RECESS/RECONVENE

The Committee Chair called for a short recess at 1:09 p.m. and reconvened the meeting at 1:10 p.m.

Committee Member Fukunaga shared that the concepts of the measure were to enhance the entire passageway from Thomas Square on down through Kaka’ako, to build upon the past projects done, and to ensure that further improvements to Thomas Square complement the long term uses of the area.

Committee Member Fukunaga requested consideration to amend Resolution 13-50 to a CD1 for the purpose of including additional stakeholders to the working group.

The following individual testified in support of the Resolution:

Alex Broner, The BYK Project

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Committee Chair Harimoto recommended that Resolution 13-50 be amended to a CD1 and reported out for adoption.

Resolution 13-50 amended to a CD1 (OCS/040113/10:00/CT) and reported out for adoption.

AYES: FUKUNAGA, MANAHAN, MENOR, PINE, HARIMOTO – 5.
NOES: None.

CD1 to Resolution 13-50 – The CD1 (OCS/040113/10:00/CT) makes the following amendments to the Resolution:

- a. Adds a representative(s) from the Department of Enterprise Services, State Legislators and City Councilmembers representing areas adjacent to Thomas Square, and interested stakeholders from historic preservation and civic renewal organizations to the list of working group members.
- b. Adds the Director of Enterprise Services, and State Legislators and City Councilmembers representing areas adjacent to Thomas Square to the list of individuals receiving copies of the Resolution upon adoption.
- c. Makes miscellaneous technical and nonsubstantive amendments.

Related communications:

D-193	Michael D. Formby, Director, Department of Transportation Services (support)
M-755	Bob Loy, Director of Environmental Programs, The Outdoor Circle (support)
M-756	Natalie Iwasa (support)
M-757	Kiersten Faulkner, Executive Director, Historic Hawai'i Foundation (comments)

2. BILL 9 (2013)

RELATING TO THE TRANSIT MANAGEMENT SERVICES CONTRACTOR.

Administration/Others

Michael D. Formby, Director, Department of Transportation Services (DTS)
J. Roger Morton, President, Oahu Transit Services, Inc. (OTS)

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Committee Chair Harimoto invited Councilmember Kobayashi, introducer of the Bill, to discuss her views. The Councilmember stated that she introduced the Bill as a result of the mismanagement of TheBus modifications by OTS and their unusual contract with the City.

Councilmember Kobayashi voiced her concern as to why the OTS contract does not have an expiration date and is allowed to continue every year without an open bidding process. She expressed that the City should not award open-ended contracts to any company.

Director Formby stated that he submitted written testimony identified as Communication D-192 on behalf of the Administration, whose position remains neutral on the Bill. The Director noted that the testimony provides the historical background on the bus system and considerations to ponder moving forward.

Mr. Morton read from his written testimony identified as Communication M-753 and stated that he neither supports nor opposes the Bill.

In response to questions posed by the Committee, Director Formby and Mr. Morton provided the following:

- Mr. Morton could not recall when the OTS Board of Directors last reviewed or discussed the contract. The DTS have started discussions on the matter within the Department but not with the Board.
- The City has a Management and Operations Agreement with OTS, Inc., a non-profit corporation, which pursuant to the agreement is comprised of the two top management positions in the company.
- There is no expiration date under the current OTS contract. The contract operates under the fifth amendment to the Agreement, which states that the contract is extended "until such time as the City and OTS execute a new Management and Operations Agreement."
- The Public Transit Division of the DTS prepares the amendments to the Agreement. There is a draft of the sixth amendment in progress.
- If the Bill is adopted, the City would have to be cognizant and concerned of the possible implications relating to the Federal funding and the labor relations issues.

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- Section 13(c) of the Federal Transit Act requires that the labor agreements remain in fact. In addition, the law protects all employees except the two top management employees. It would be within the law to open bid for those two positions.
- The DTS would provide details of the financial benefits of the contract to the Committee Chair.

The following individuals testified:

1. Lois Bunin (comments)
2. Donald Sakamoto, Chairperson, Citizens for a Fair ADA Ride (CFADAR) (comments) (M-752)
3. Edward Hirata (oppose)
4. Barbra Armentrout (comments)
5. Rose Pou (support)
6. Alex Broner, The BYK Project (comments)
7. Kimo Palakiko (oppose)

In response to Committee Member Manahan's question, Mr. Morton responded that in his recollection the current ordinance does not list the requirements for membership on the OTS Board.

Committee Chair Harimoto stated that given the range of concerns and issues raised, the Committee Chair's recommendation would be to defer Bill 9 (2013).

Councilmember Kobayashi thanked the Committee Chair for placing the Bill on the agenda and expressed her support for the recommendation.

Action on Bill 9 (2013) deferred.

AYES: FUKUNAGA, MANAHAN, MENOR, PINE, HARIMOTO – 5.
NOES: None.

Related communications:

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|-------|--|
| D-192 | Michael D. Formby, Director, Department of Transportation Services (comments) |
| M-752 | Donald Sakamoto, Chairman, Citizens For a Fair ADA Ride (CFADAR) (support) |
| M-753 | J. Roger Morton, President and General Manager, Oahu Transit Services, Inc. (comments) |
| M-754 | Milton Kubo, Vice Chairman, Citizens For a Fair ADA Ride (CFADAR) (support) |

FOR DISCUSSION

3. HONOLULU AUTHORITY FOR RAPID TRANSPORTATION (HART) UPDATES.

Briefing by HART Executive Director Daniel Grabauskas on:

- Permitted Interaction Group on Fare Policy
- Rail Car Seat Additions
- Land Acquisition/Eminent Domain Actions

Administration/Others

Daniel Grabauskas, Executive Director, HART

Committee Chair Harimoto asked Executive Director Grabauskas to provide updates on each item separately for discussion purposes.

Permitted Interaction Group on Fare Policy

Executive Director Grabauskas explained that the Permitted Interaction Group (PIG) would be a subset of the HART Board and consist of five members. The group's main objective would be to establish the fare structures and policies for the rail system.

In response to the Committee Chair's questions on the policy and dates, the Executive Director replied that the intention of the PIG is to become highly educated on the issue and be prepared to present their recommendations in about two years.

Committee Chair Harimoto emphasized that integration of the two transit systems is very important and must be taken into consideration in all aspects.

In response to Committee Member Manahan's questions on rates, Executive Director Grabauskas stated that it would be the PIG's objectives to contemplate whether the fares would be flat rate or distance-based and to consider a unified fare policy for both transit systems.

Committee Member Pine voiced her deep concern on distance-based fares and appreciated the Executive Director's consideration of the idea.

In response to Committee Member Menor's questions on fare box recovery, Executive Director Grabauskas replied that the Charter does not provide a policy on the recovery ratio and that it would be a task of the HART Board to accomplish.

Rail Car Seat Additions

Executive Director Grabauskas stated that through negotiations with Ansaldo, the seating capacity was increased by approximately 25% or 800 seats and the initial contract price decreased by approximately \$800,000. The seats would be flip-up in style and positioned into empty wall spaces.

Committee Chair Harimoto expressed his appreciation to HART and Ansaldo for their efforts in resolving the issue as it was a grave public concern.

In response to Committee Member Manahan's questions, the Executive Director replied that a change order to furnish the 800 additional seats was initiated and approved by the Board.

Land Acquisition/Eminent Domain Actions

Executive Director Grabauskas reported that after discussions on the matter were held at the February 14, 2013 Committee on Transportation meeting, the HART and the property owners have begun renegotiations. Condemnation would proceed if necessary.

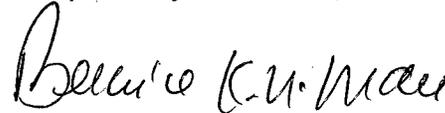
The following individuals testified:

1. Barbra Armentrout (comments)
2. Donald Sakamoto (comments)
3. Kimo Palakiko (comments)

ADJOURNMENT

There being no further business, the meeting adjourned at 2:30 p.m.

Respectfully submitted,



BERNICE K. N. MAU
City Clerk

pno

DATE APPROVED

April 25, 2013