

CITY CLERK
HONOLULU, HAWAII

TRANSPORTATION COMMISSION
DEPARTMENT OF TRANSPORTATION SERVICES
CITY AND COUNTY OF HONOLULU

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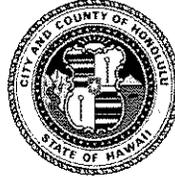
650 SOUTH KING STREET, 3RD FLOOR
HONOLULU, HAWAII 96813

Phone: (808) 523-4529 • Fax: (808) 523-4730 • Internet: www.honolulu.gov

MUFI HANNEMANN
MAYOR

WAYNE YOSHIOKA
DIRECTOR

RICHARD TORRES
DEPUTY DIRECTOR



March 14, 2008

The Honorable Barbara Marshall
Chair, City Council
City and County of Honolulu
Honolulu Hale, 2nd Floor
530 South King Street
Honolulu, Hawai'i 96813

RECEIVED
COMMISSIONERS
JOSEPH M. MAGALDI JR., CHAIR
LORRAINE AKIBA
MICHAEL COAD
RANDAL IKEDA
SHARI KOMO-MATSUEDA
CLAIRE TAMAMOTO
BRIAN UY

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CITY COUNCIL
HONOLULU, HAWAII

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CCM

Re: 2006-2007 Transportation Commission Annual Report

The City and County of Honolulu's charter outlines the following responsibilities for the Transportation Commission. This combined two-year report for 2006 and 2007 highlights the Transportation Commissions functions and actions. In accordance with the City Charter, the seven (7) member commission focused on the following functions:

1. Evaluation of the Department of Transportation Services Director.
2. Review and make recommendations on the Department of Transportation Services' annual budget.
3. Review and make recommendations concerning the Department of Transportation Services' administrative and operational rules.
4. Receive, review and make recommendations on the complaints regarding the systems, programs and facilities under the Department of Transportation Services.
5. Review and make recommendations on the performance of public transit contractors under the jurisdiction of DTS: O`ahu Transit Services, Parsons Brinckerhoff and Hornblower Marine Services.
6. Evaluate the public transit fare structure and make recommendations on fare changes if deemed necessary.

EVALUATION OF THE DTS DIRECTOR'S PERFORMANCE

Melvin Kaku served as Director of the Department of Transportation Services from January 10, 2006 to December 1, 2007. During that period, he demonstrated his experience, knowledge and competence of his position. As a former civil engineer and Director of Environmental Planning for the U. S. Navy, Director Kaku brought his expertise of operational and personnel skills to run the multitasked DTS efficiently. Although his transit background was limited, it did not hinder his performance. Director Kaku was also familiar with the detailed aspects of major construction projects similar to the one that the City is undertaking with the fixed guideway system. He has demonstrated his willingness to work long hours to familiarize himself with all aspects of the department.

At the numerous community meetings to obtain public input on the proposed mass transit system, Director Kaku displayed his awareness of community's concerns regarding costs, proposed stops, noise level, cultural and environmental impacts. He also showed sensitivity to groups advocating alternate solutions to O`ahu's traffic congestion. His calm demeanor and communication skills allow him get his points across to the general public, his peers and his staff. Under his leadership, his department successfully completed DTS projects and was an integral part in obtaining a favorable decision on the LPA, locally preferred alternative analysis and the collection of the General Excise Tax for a fixed guideway system on O`ahu.

He oversaw the groundbreaking of the Waianae Transit Center, the dedication of the Paratransit (Handivan) site, the acquisition of new transit buses and handivans and the launching of "The Boat". On the multifaceted transit front, Director Kaku directed his department to examine the efficiency and cost effectiveness of bus routes, continued construction of transit centers, and the synchronization of traffic signaling.

His presentations to the Commission on issues or projects have been thorough, factually informative and concise. He also allowed us direct access to his key staff for information briefings. We appreciate the support lent to the Commission through the competent and organized staffing services provided by the department's ASO, Paul Romaine. The Commission also appreciates Director Kaku's effort to send his Deputy Director, Richard Torres to Commission meetings when he is unable to attend. This improved the flow of information to the Commission on a timely basis.

We wish Mr. Melvin Kaku well in his new position as Emergency Management Chief. As Director of DTS, he brought stability and direction to the department. We feel the competent staff at DTS will make a smooth transition under their new director, Mr. Wayne Yoshioka.

Annual DTS Budget

The Fiscal year 2007 Operating and Capital Improvement Program budget was presented to the Commission. It reflected an increase in appropriations for salaries, operating expenses and slight reduction in equipment funding. The actual expenses for FY 2007 showed a negative variance for salaries and equipment purchases and just over a million dollars positive expenditure for operations largely due to estimates variable cost of fuel and electricity.

The Fiscal Year 2008 budget was presented to the Commission and we found it consistent with previous years' inflationary increases except in the area of equipment. The appropriate amount for in equipment is still less than what was actually spent in FY 2007. The Commission feels that the increases in appropriated monies across the board are warranted given the larger scope of work the department will be involved in as they embark on the next phase of mass transit. In all likelihood, they will need additional resources to maintain, review, and evaluate routine DTS projects. Funding is also needed to be able to explore and fund possible new projects.

Operations of the Department of Transportation Services

The Transportation Planning Division oversaw numerous CIP projects, highlighted by the Demonstration Ferry Project. They were also key in meeting deadlines for environmental studies needed to move OMPO projects forward. Many of these projects require working with the State and Federal transit agencies.

The Traffic Engineering Division serves a very critical role in the safety of the public. They worked to address the growing concern of pedestrian safety through the Bus Stop Realignment Program. They reviewed, evaluated bus stops, their intervals and determined that in the absence of a signalized pedestrian crossing, mid-block bus stops are not desirable. Positive steps were taken by removing 50 bus stops and creating 14 safer ones. An educational program was launched to increase public awareness of the dangerous nature of jaywalking, supported by HPD enforcement.

Another concern of the Commission is the removal of "No Parking"

coning or signage on major arteries before the peak traffic periods has subsided. Allowing parked cars on these major arteries impedes traffic flow and adds to the traffic congestion. The Commission looks forward to a positive resolution of this concern in the upcoming year.

The Commission would like to again urge continuation of educational efforts such as Drive Akamai, Walk Wise Hawai'i and Walk Wise Kupuna, media and school outreach that promote services and safety. In addition, renewed efforts to work with the State and Federal agencies involved to complete the Bike Projects Master Plan (bikeway route) along the Leeward Coast.

The Commission recognizes the value of the Joint Traffic Management Center, when operational will provide one consolidated facility to support traffic management. Renewed effort must be made to complete the design phase of this project so construction money can be restored to the OMPO Transportation Implementation Program and the projected operational date of 2011/2012 can be realized.

The dedication of the Middle Street Intermodal Center Phase I establishes the site and the new home for the Handi-Van, Phase II: design and construction of the remainder of the Handi-Van parking lot, the transit platform and passenger waiting area and the parking garage should be moved forward.

Another focus area would be the availability of wireless internet service on all the City's modes of transportation. Together with the Smart Cards they would move our transit system to the next level of technological efficiency and attractiveness.

DTS is in the process of scoping out Data Base Initiatives to assist the department in compiling data on ridership, routes, complaints, etc. This effort will take months to develop but once in place will provide insights into the service population. These insights should lead to the development of services that are more responsive and proactive. The Commission hopes that this effort will continue to be a priority of the department.

DTS has made good progress in completing transit centers to support the bus system. The Mililani Transit Center 5/07 and Wai'anae Transit Centers 6/07 have been completed and operational, Wahiawa is on its way and the Windward side will be looked at next for their transit center needs.

Operation of contractors under the jurisdiction of DTS

City and County of Honolulu manages the O`ahu Transit System, which includes The Bus and the Para transit Handi-Van. OTS has been able to operate The Bus and still keep the lowest cost per passenger mile and a low cost per boarding passenger in the industry. Adult Fares are \$2.00, monthly and annual passes are \$40.00 and \$440.00 respectively. Our seniors and disabled residents, who should be encouraged to use the Bus and Handi-Van systems, pay \$1.00 with a \$5.00 monthly pass, \$30.00 annual pass and \$10.00 for a Senior/Disabled card. Disabled passenger's service is for person with disabilities. The "U Pass" discounted rate of \$100.00 has gained in popularity and continued marketing should provide a viable revenue stream for the City. Weekday rider ship on TheBus saw an increase in passenger trips over 2005 to nearly 2.8 million a year.

The Transportation Commission feels that OTS should have an active marketing campaign to sell advertising on the Bus. The Bus website provides an opportunity for potential advertisers but the Bus should have a dedicated outreach program or process to solicit advertisers.

TheBus has 525 transit buses and 129 handi-van vehicles. City procured 40 new buses and 32 state of the art handi-vans to replace aging vehicles. In the last two years, DTS has actively reviewed their 105 routes and their approximately 3800 bus stops/shelters on the island. The department constructed 40 new bus shelters in 2006. DTS in conjunction with OTS adjusted bus routes and added Route E to supplement Route C to provide additional relief for the "Country Express". There are also two "City Express" routes, which serve the downtown area: Route A runs from Waipahu to UH Manoa via the Kalihi Transit Center (KTC) and Route B that runs from the KTC to Waikiki.

The Handi-Van provides needed service to our disabled and homebound residents. Active evaluation of applications, coupled with stricter eligibility documentation has led to a decline in applications. The service trips are up and customer service appears to be positive. The results of the Para transit Services Study should provide greater insights into the program and generate improvements to the service.

The Commission is satisfied that TheBus continues to run efficiently and economically. Evaluation of the routes and responsiveness to the ridership needs allows OTS and DTS to make warranted adjustments.

In regards to customer concerns/complaints involving any facet of the Bus and Handi-Van: routes, OTS and driver demeanor, driver and

pedestrian safety, efforts have been made to address and resolve these matters in a timely manner.

Possible improvements might include a stated documented procedure and process of how incidents are handled.

Parsons Brinckerhoff has been tasked with moving the City through the initial phases of the mass transit system. PB has periodically briefed the Commission keeping us informed as to the process and status of the Honolulu High Capacity Transit Corridor. Their community outreach meetings have been prepared and public comments have been well documented. They have also been responsive to getting the correct information out to the general public.

Hornblower Marine Services based in New Albany, Indiana is the operating entity for the Intra-Island Passenger Ferry Demonstration Project, "The Boat". They have partnered with OTS to provide a hopefully seamless interfaced, intermodal transit alternative between Makakilo, Wai`anae and Kapolei and downtown Honolulu. This 12-month demonstration project got off to a good start in spite of only one of the two 149 passenger vessels being operable. At the close of 2007, interruption of service hurt the project that must be evaluated on economical soundness (comparable to the 30% fare box return for the Bus) and demand. It is our understanding that HMS has been very cooperative in making needed repairs to the boat(s) and we look forward to consistency in this project so it can be properly evaluated.

The Second Annual Transportation Symposium organized by Lychee Productions, Inc. was time well spent. Attendees were briefed by experienced municipal and transit leaders on the road ahead of the City. The topics of Managing a Growing Transit System, Business and Community Involvement and Transit Oriented Development (TOD) were informative and encouraging.

Bus Fares

Currently, bus fares are \$2.00 one way with one free transfer. Users can buy an unlimited use monthly pass for \$40.00. Disabled riders and Seniors (65 years or older) may ride for \$1.00 with one free transfer and buy a \$10.00 monthly pass or a \$30.00 yearly pass. Honolulu's fare is comparable if not lower than other major cities.

The fare box return guidelines mandate a 30% (3% plus or minus) recovery ratio. The revenues have been within this range. The Commission feels that it is important to have a systematic method of evaluating capital and operating costs balanced against sources of

income. To this end, the Commission studied alternative revenue streams such as bus advertising and corporate and organizational bus fares. We feel that inside the bus advertising is a missed income opportunity. Also, we feel that additional efforts should be made to target high volume users such as the University of Hawai'i students, government and military employees, i.e.: some cities have a bus pass included in their university's student fees.

As stated in previous annual reports, the responsibility of establishing the fare box rate in Honolulu should be given to the Commission. This is a similar practice of some appointed transit agencies on the continental U. S. The Council can continue to establish the guidelines on the fare box recovery ratio.

State Department of Transportation

The Commission made an effort to increase dialogue with the State DOT. We met at the DOT and were briefed by Glenn Yasui, Highways Administrator of the functions, roles, responsibilities and current projects of the Highways Division. We would like to continue to keep the lines of communication open with the State. It is also important to continue to interface the transportation efforts of both the State and the City.

We are still hopeful that a representative from DOT will attend our Transportation Commission meetings and vice a versa. This would facilitate communication and coordination between the two governmental agencies. Many the City and State's roadways and projects are interfaced from bike paths to a ferry system. The Commission has an open invitation for a representative from the State Department of Transportation to be a participant at our monthly meetings and hope their attendance resumes.

Transportation Commission

The Transportation Commission's seven-member board became fully constituted in July, '06 with the appointment of Michael Coad. Our monthly meetings are open and encourage representatives from the Council and administration to attend. We welcome your comments, suggestions and questions.

The Commission has tried to have a good working relationship and open lines of communication with the entire Council and in particular the Chairs of the Transportation Committee. The current Commission members would like to maintain communications and have a standing invitation extended not only to Councilman Apo and now Councilman

Garcia but also to all council members to attend the Commission's monthly meetings.

Likewise, the Commission members along with chair Joe Magaldi will be attending the Transportation Committee's monthly meetings to provide updates on transportation related activities and concerns that are being addressed by the Commission.

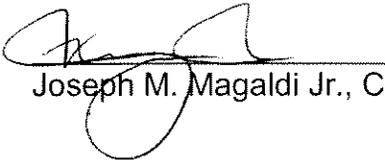
Despite funding limitations, the Commission has initiated various activities to improve the means by which it conduct its duties - some of these have been outlined in the written information Chair Magaldi has provided you. The Commission has found the committee system to be effective at tapping on the expertise of the various commissioners. Commissioners are active at the community level and are informed regarding the various transportation projects and issues of concern in their areas.

The Commission attends the Ho`opili Task Force meetings. The Task Force has initiated the Ewa Region Transportation Action Plan that supports a multi-modal system for the Ewa Region.

The Commission wants to reiterate that we would like to further nurture the working relationship with the Council and in particular with the Transportation Committee members. In this capacity we can assist both the Council and the Administration in reviewing and addressing the many critical issues impacting transportation in the City and County of Honolulu.

In conclusion, we would like to recognize the Department of Transportation Services' dedication, efforts and service to the public in implementing and maintaining a comprehensive transportation system on O`ahu. We feel it is reflective of Director Kaku's leadership and believe that the department will continue to operate effectively and efficiently under its new leadership into very exciting times.

Respectfully submitted,


Joseph M. Magaldi Jr., Chair

cc: Mayor's Office