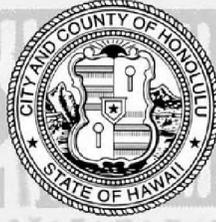


NEWS RELEASE



**DEPARTMENT OF
TRANSPORTATION SERVICES**

CITY AND COUNTY OF HONOLULU

FOR IMMEDIATE RELEASE

October 30, 2008

EXECUTIVE SUMMARY FOR HONOLULU RAIL TRANSIT DRAFT ENVIRONMENTAL IMPACT STATEMENT TO BE ONLINE

*Latest Findings: Rail Will Shrink Future Traffic Congestion
by More than 20 Percent, Among Many Benefits*

The executive summary of the Draft Environmental Impact Statement (DEIS) for Honolulu's proposed rail transit system will be posted today on the project's website: www.honolulutrainsit.org.

Clarifications must be made to several chapters of the DEIS to ensure consistency with the state Environmental Impact Statement requirements. Those clarifications are expected to be completed shortly. The City intends to post the entire document on the project website over the weekend.

Printed versions and formal transmittals to the State distribution centers and announcement of availability of the printed copies are expected to take about 2 weeks.

Once the availability of the document is formally announced in the Federal Register and in the State Office of Environmental Quality Control (OEQC) Bulletin, the public and agencies will be invited to comment during the public comment period of at least 45 days. The public may submit written comments to the Department of Transportation Services (DTS) or provide oral comments during public hearings.

The DEIS examines the environmental, economic and community impacts and benefits of 4 future alternatives between Kapolei and UH Manoa: 3 potential routes for a rail transit line from Kapolei to Ala Moana Center are analyzed in comparison to the No Build Alternative.

“The DEIS greatly refines the work done previously in the Alternatives Analysis (AA), bringing the project’s details into even sharper focus,” said Mayor Mufi Hannemann. “For example, the DEIS shows a greater reduction in future traffic congestion with a fixed guideway. The project shrinks future traffic congestion by more than 20 percent, a 100 percent improvement over the amount estimated in the Alternatives Analysis. It also brings new information, such as the updated financial plan and construction costs that conclusively demonstrate that rail transit is the most cost-effective and affordable solution.”

As expected, the DEIS cost estimate, adjusted for inflation, from 2006 to 2008, is \$3.9 billion. The increase is well within the contingency built into the cost estimate and the revenue forecast from the General Excise and Use Tax and Federal Transit Administration.

“Our cost estimate includes a nearly \$1 billion contingency to address these cost changes,” Mayor Hannemann said. “Additionally, we believe that the current economic slowdown may result in lower construction costs and I remain confident that we have the funds to build this project.

“Independent analysis shows that our projections are sound. Bank of Hawaii Chief Economist Dr. Paul Brewbaker, who chairs the state Council on Revenues, noted that original estimates were reasonable, pointing out that the business cycle tends to balance periods of slow growth and even decline in GET revenue with periods of more rapid revenue growth.”

“I’m very pleased to say the information in the DEIS validates the Honolulu City Council’s decision to move forward with rail transit and the benefits it can bring to our island.”

Earlier in the month, the Hawaii Business Roundtable had conducted an independent financial analysis that made it clear that there were no insurmountable obstacles for the city to proceed with its rail transit project. HBR’s support was later followed by the endorsement of the Chamber of Commerce of Hawaii.

Mayor Hannemann reiterated that the City will not begin construction until Honolulu receives a Record of Decision from the FTA, which is a precursor to receiving a Full Funding Grant Agreement.

Highlights of DEIS Impacts and Costs

Transportation

Traffic congestion would be reduced between 21 and 23 percent island-wide in the year 2030 depending on the rail route, compared to the “No Build” scenario. With reduced congestion, travelers will save significant time whether they travel by rail, bus or private vehicle. For example, in 2030, morning rush hour commuters to downtown from Kapolei would save an average of 30 minutes by using rail; from Ewa, morning commuters would save 25 minutes; from Waipahu, residents would save nearly 45 minutes, as would residents traveling from Mililani.

Overall, the Build Alternatives will deliver approximately 50,000 hours of daily travel time savings for commuters in 2030.

Ridership on the Salt Lake route remains the same as previous estimates. Approximately 90,000 daily rides are expected by the year 2030. Daily ridership on the Airport route rises to 95,000.

Energy, Water and Air

The DEIS confirms that future energy consumption will be reduced with rail transit, as will water contamination and air pollution.

Construction Costs

Estimated construction costs for the eight-year fixed guideway construction period, in Fiscal Year 2008 dollars (FY2008):

- Salt Lake route – \$3.9 billion.
- Airport route – \$4.1 billion.

In inflation adjusted, year of expenditure dollars, the construction estimate for the Salt Lake route is \$4.8 billion and \$4.9 billion for the Airport route.

Either route is affordable with identified funding sources.

Operating and Maintenance costs

Annual operating and maintenance costs for each route in 2030 are similar to previous estimates. They range from \$63 million for the Salt Lake route to \$68 million for the Airport route to \$96 million for the combined route.

Economy

The economic impact of building the fixed guideway is validated with an estimated 11,000 jobs created during the construction phase.

Right-of-Way

Between 152 and 177 parcels could be impacted with a partial acquisition for the fixed guideway's right-of-way; about 35 of the parcels would be full acquisitions, depending on the route selected. Previously, about 150 parcels had been identified as possibly impacted.

Visual Impact

The project's potential visual effects include removing trees, altering Ewa-Koko Head and mauka-makai views, and introducing project components that are out of scale or character with their settings in several areas. Tree removal would be minimized.

Noise

Substantially more noise analysis has been added to the DEIS, validating previous noise discussions. Noise levels of the proposed transit vehicles will be less than many vehicles already in traffic, such as dump trucks, city buses, trucks and other autos. Eighteen to 23 residential buildings would experience moderate noise impacts, depending on the route.

Historic and Cultural Resources

The project team has identified known historic and cultural resources along the route in more detail than the AA; seven resources are identified as possibly adversely affected.

Construction Effects

Groundbreaking is scheduled for late 2009 and building would begin in East Kapolei in 2010. Temporary and limited construction effects are identified, as is the need for construction mitigation plans specific to each community.

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**Media contact: Department of Transportation Services Director
Wayne Yoshioka, 768-8303**