Transportation Infrastructure Generating Economic Recovery
Discretionary Grant Application

State of Hawaii
Department of Transportation
Harbors Division

The Hawaii Department of Transportation, Harbors Division (HDOT Harbors) is responsible for the administration and management of the commercial harbors system. It has embarked on a $618 million *Harbors Modernization Plan* and respectfully submits its *Transportation Infrastructure Generating Economic Recovery* (TIGER) grant application for federal funding to augment this endeavor. The total funding request is $95 million to construct commercial harbor improvements at Honolulu, Hilo and Kawaihae harbors. Using a three percent discount rate**, an overall benefit to cost ratio of 2.2 is expected for the project.**

1. ***Reconstruction of Pier 29 Container Yard***, Honolulu Commercial Harbor, Oahu. Funding request: $24.5 million. This action consists of the reconstruction and improvement of 12 acres of existing yard area to support overseas cargo operations. **A benefit to cost ratio of 3.4 is expected for this action.**
2. ***New Interisland Barge Terminal at Pier 4***, Hilo Commercial Harbor, Hawaii Island. Funding request: $59 million. The development of a new interisland cargo terminal includes three phases: dredging, yard expansion, and pier construction, supporting interisland cargo operations. **A benefit to cost ratio of 1.5 is expected for this action.**
3. ***Pier 2A Terminal Improvements***, Kawaihae Commercial Harbor, Hawaii Island. Funding request: $11.5 million. This action will pave 3.1 acres of unpaved backland area at Pier 2A to support interisland cargo operations. **A benefit to cost ratio of 3.1 is expected for this action.**

Honolulu is in the First Congressional District, City and County of Honolulu, State of Hawaii. Hilo and Kawaihae are in the Second Congressional District, County of Hawaii, State of Hawaii. The County of Hawaii is Federally recognized as an Economically Distressed Area. All three commercial harbors serve Hawaii's rural areas.

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SUPPLEMENTARY INFORMATION

Supplementary information consists of the benefit-cost analysis, design and environmental documents, economic studies and letters of support. Links are below or at: www.hawaii.gov/dot/harbors/tiger. Login Name: Tiger. Password: TigerHI2009.

Benefit-Cost Analysis and Econpack Runs (7 Documents)

Harbors Modernization Plan (Governor's Letter and Fact Sheet)

Reconstruction of Pier 29 Container Yard, Honolulu Harbor

- Oahu Master Plan
- Design
- Environmental Assessment
- NPDES permit

New Interisland Barge Terminal at Pier 4, Hilo Harbor

- Hawaii Island Master Plan
- Design for dredging and yard area
- Environmental Impact Statement
- Submittal to US Army Corps of Engineers for dredging
- NPDES permit for yard

Pier 2A Terminal Improvements, Kawaihae Harbor

- Hawaii Island Master Plan
- Environmental Assessment

Economic Studies

- *The Impact of Hawaii's Harbors on the Local Economy*
- *Economic Impact Assessment of Hawaii's Harbors*

Letters

- State of Hawaii: The Honorable Linda Lingle, Governor
- Hawaii Department of Transportation: Dr. Brennon T. Morioka, Ph.D., Director of Transportation
- County of Hawaii: The Honorable William P. Kenoi, Mayor
- Hawaii Harbor Users Group: Mr. Gary North, President

Young Brothers, Limited: Mr. Glenn Hong, President
Aloha Cargo Transport: Mr. Richard Maxwell, Vice President and General Manager
International Longshore & Warehouse Union Local 142: Mr. Wesley Furtado, Vice President

NOTE: The Hawaii Congressional delegation is sending a joint letter of support directly to Secretary LaHood.

Letter from Michael D. Formby certifying compliance with Federal wage rate requirements.

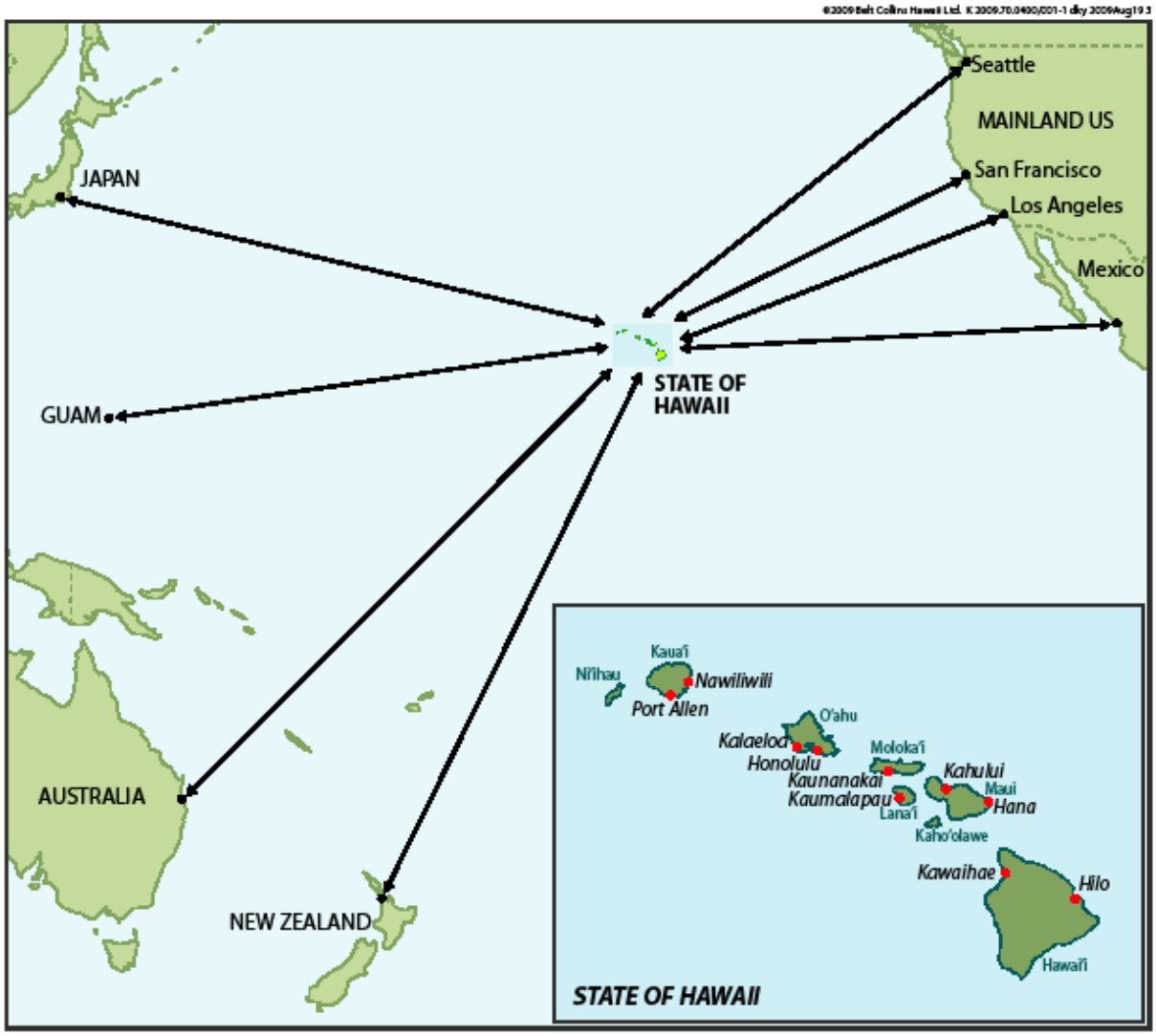
ACRONYMS AND ABBREVIATIONS

ACT	Aloha Cargo Transport
ADA	Americans with Disabilities Act of 1990
ARRA	American Recovery and Reinvestment Act of 2009
BCA	Benefit-Cost Analysis
DBEDT	Hawaii Department of Business, Economic Development and Tourism
DCAB	Disabilities Communication Access Board (local review of compliance with Americans with Disabilities Act)
EA	Environmental Assessment
EDA	Economically Distressed Area
EIS	Environmental Impact Statement
FONSI	Finding of no significant impact (for HRS 343 EA)
HDOT	Hawaii Department of Transportation
HDOT Harbors	Hawaii Department of Transportation, Harbors Division
HHUG	Hawaii Harbors Users Group
HRS	Hawaii Revised Statutes
HMP	Harbors Modernization Plan
LCL	Less-than-container-load cargo
LEED	Leadership in Energy and Environmental Design
MARAD	United States Department of Transportation, Maritime Administration
Matson	Matson Navigation
NPDES	National Pollutant Discharge Elimination System
NEPA	National Environmental Policy Act
NOFA	Notice of Funding Availability (*Federal Register*, June 17, 2009)
NYK	Nippon Yusen Kaisha
PTA	Pohakuloa Training Area
RO/RO	Roll-on/roll-off
TEU	Twenty-foot equivalent unit
TIGER	Transportation Investment Generating Economic Recovery
US	United States of America
USACE	United States Army Corps of Engineers
USDOT	United States Department of Transportation
YB	Young Brothers Limited

1. INTRODUCTION

Located in the central Pacific Ocean, Hawaii is an island archipelago situated over 2,000 miles from the nearest significant land mass and is the only state made up entirely of islands. Its residents pay for this geographic isolation with a near absolute dependence on ocean surface transportation for their sustenance. Eighty percent of all consumer goods are imported into Hawaii. Its ports receive and process 98.6 percent of those imports.[1] As such, ocean transportation is Hawaii's lifeline to the world. It supports every facet of the local economy: tourism, construction, national defense, agriculture and all other industries. No other state in the union depends on it to the degree as Hawaii does.

Figure 1: Hawaii Commercial Harbors System



[1] Lee, D. and C. Olive, *Size and Growth Potential of Hawaii's Maritime Industry*. Department of Agriculture and Resource Economics, and Sea Grant College Program, University of Hawaii. Prepared for DBEDT, Ocean Resources Branch. 1994.

Hawaii's economy has grown rapidly since statehood driven by the tourism industry. To support this growth, Hawaii must import food, fuel, raw materials and most consumer goods, increasing the importance of the commercial harbors system for its prosperity and quality of life.

The commercial harbors are severely congested. This condition creates unnecessary delays and increased operational costs, impacting Hawaii's economy. If Hawaii's commercial harbors system is not upgraded to the level necessary to meet future demand, the loss of real gross state product could amount to $50 billion by 2030.[2] Further, shipping cost to the consumer could be higher by 18 percent by 2030.

Hawaii's commercial harbors system plays a vital role in national security for the Pacific region as Honolulu Harbor is the gateway for military cargo distributed throughout the state and Guam. With the programmed US military buildup in Guam, much of the raw materials and supplies for this effort will be transported from the US Mainland through Honolulu Harbor. In addition, Kawaihae Harbor supports the activities of the US Army's Pohakuloa Training Area, which is mission-critical for the 25th Infantry Division.

To address congested conditions effectively, HDOT Harbors partnered with the Hawaii Harbors Users Group (HHUG) to develop a system-wide *Harbors Modernization Plan* (HMP). The plan identifies infrastructure improvements to address projected increases in the ocean transportation of cargo and passengers through 2030. HHUG is a self-funded, non-profit corporation, bringing together maritime industry representatives. HHUG supports increases in tariffs to cover the required capital improvements.[3] However, during the current recession, cargo volumes and HDOT Harbors' revenues have declined, so Federal support is essential to realize the HMP goals.

In 2005, the US Department of Transportation, Maritime Administration (MARAD) established a partnership with HDOT Harbors to assist in the modernization of the commercial harbors system. In 2009, MARAD awarded a program management contract for Hawaii port infrastructure projects. MARAD will provide federal oversight of expenditures and work, act as a central procurement organization, and leverage funding resources. TIGER awarded funds will be handled under this contract.

2. PROJECT DESCRIPTION

The project combines three actions:

- Reconstruction of Pier 29 Container Yard, Honolulu Harbor, Oahu
- New Interisland Barge Terminal at Pier 4, Hilo Harbor, Hawaii Island
- Pier 2A Terminal Improvements, Kawaihae Harbor, Hawaii Island

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[2] Dr. Leroy Laney. *The Impact of Hawaii's Harbors on the Local Economy.* Prepared for HHUG. 2007.
[3] Mercator Transport Group. *HHUG Report on Port Facilities & Development Priorities.* Bellevue, WA, 2005; HMP announcement and fact sheet, posted at http://hawaii.gov/dot/harbors/whats-new/harbors-modernization-plan.

These actions were selected as shovel ready. They support both domestic and foreign movement of goods. Each action will significantly improve efficiency, safety, livability and sustainability of commercial harbor operations; increase economic competitiveness; and support national security. Table 1 shows key impacts and where major TIGER criteria are described in the application.

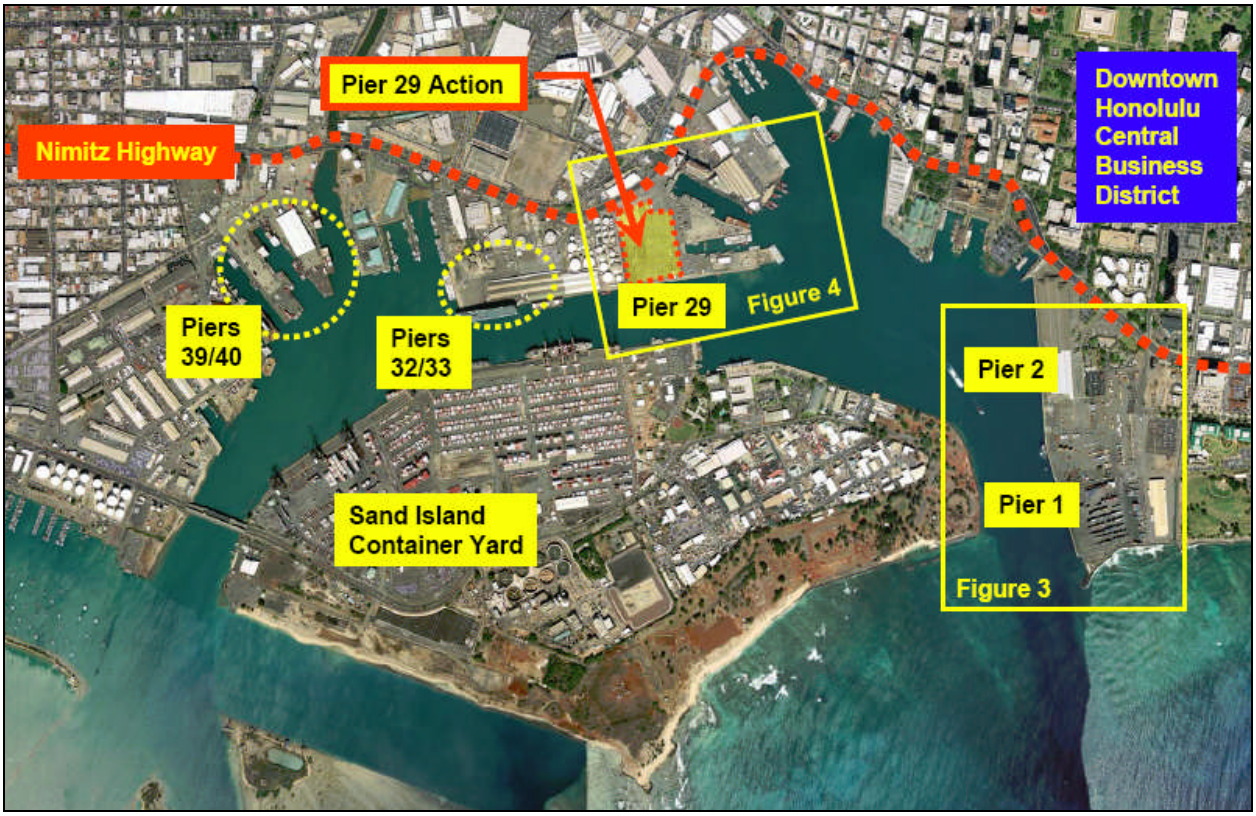
Table 1: Summary of the Project and Its Impacts

ACTIONS	Reconstruction of Pier 29 Container Yard, Honolulu	New Interisland Barge Terminal, Hilo	Pier 2A Terminal Improvements, Kawaihae
TIGER Funds (Million $s)	$24.5	$59.0	$11.5
Funds from State of Hawaii	$7.0	$18.3	$1.8
Total Cost	$31.5	$77.3	$13.5
TIGER share	77.7%	76.4%	85.2%
MARAD share	0.0%	0.0%	1.5%
State share	22.3%	23.6%	13.3%
Start date (TIGER-funded work)	August 2010	November 2009	August 2010
Construction completion	December 2011	December 2011	August 2011
IMPACTS			
Short-term Job Creation	Section 3.2: Construction jobs plus associated indirect and induced jobs in regional economy		
Direct construction jobs	146	362	60
Indirect and induced jobs	158	390	65
New wages (Millions)	19	46	8
Long-Term Outcomes			
State of Good Repair	Section 3.1.1: Rebuild damaged yards, expand usable yard area		
Economic Competitiveness	Section 3.1.2: Increase efficiency in cargo movement; support economic diversification; support Economically Distressed Area		
Livability	Section 3.1.3: Reroute trucks away from downtown Honolulu; reduce dust affecting harbor neighbors; support rural areas dependent on LCL cargo		
Sustainability	Section 3.1.4: Reduce fuel consumption and greenhouse gas emissions, extend life of infrastructure		
Safety	Section 3.1.5: Reduce risk of injuries in cargo yards and accidents at surrounding roadways		
Secondary Criteria			
Innovation	Section 3.4.1: Mitigation of contaminated soils, Honolulu; LEED silver design; support for new gate control system by operator		
Collaboration	Section 3.4.2: Collaboration with maritime users, local agencies, other modal divisions of Hawaii DOT, MARAD		

2.1 Oahu: Honolulu Harbor

Located on the southern coast of Oahu, Honolulu Harbor is the hub of Hawaii's commercial harbors system from where cargo is distributed throughout Oahu and to the Neighbor Islands. In 2008, it handled 1,124,388 twenty-foot equivalent units (TEUs) ranking it 15th in North American ports.[4] The primary inter-modal link is Nimitz Highway, which runs along the north border of the harbor and provides access to the H-1 Interstate Highway. See Figure 2 for details.

Figure 2: Honolulu Harbor and Surrounding Areas



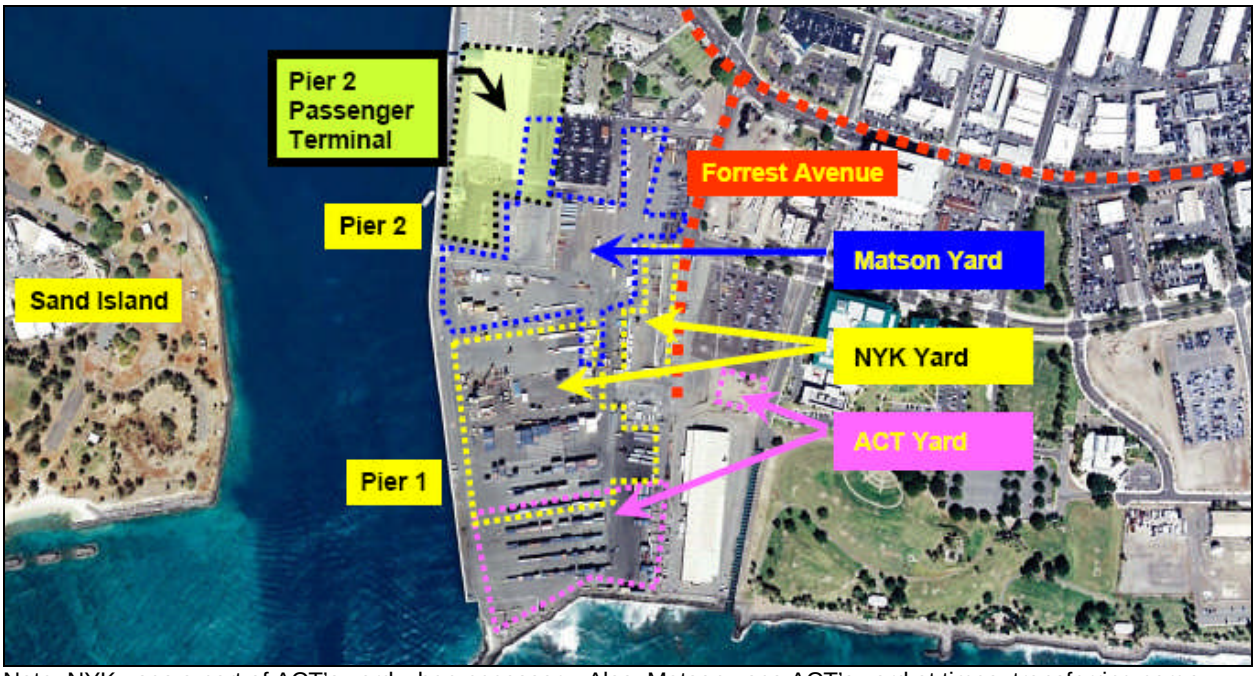
Currently, cargo is handled primarily in four locations: Piers 1 and 2, Piers 32 and 33, Piers 39 and 40, and Sand Island. Piers 1 and 2 serve two interstate shipping lines (Matson Navigation Company, Inc. [Matson] and Aloha Cargo Transport, Inc. [ACT]), an international carrier (Nippon Yusen Kaisha Line [NYK]), passenger lines and activities at the Pier 2 Cruise Terminal, and the Foreign Trade Zone. Figure 3 shows how cargo yards are allocated.

In 2008, the Pier 29 yard suffered structural failures, displacing ACT. It remains unusable today. *Reconstruction of Pier 29 Container Yard* action will permit ACT, currently operating at Pier 1, to return to Pier 29. This action will add approximately 12 acres of upgraded cargo yard and increase efficiency and safety in Honolulu Harbor.

[4] AAPA. http://aapa.files.cms-plus.com/Statistics/NORTHAMERICANPORTCONTAINERTRAFFIC2008.pdf

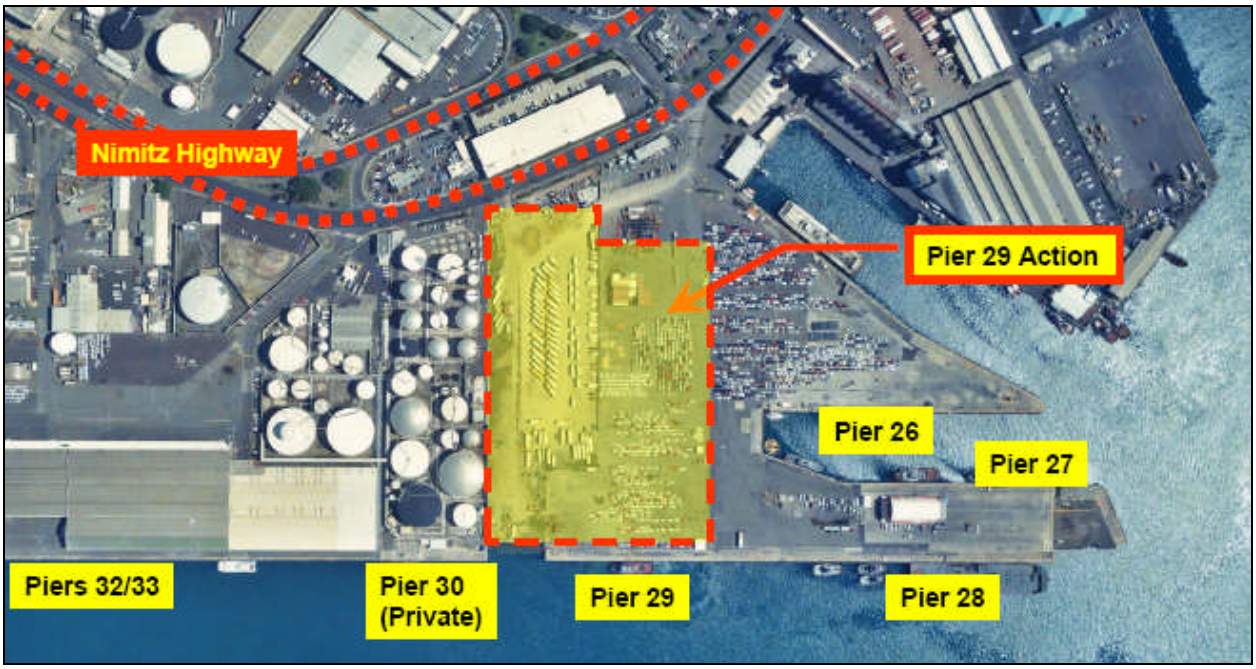
Other improvements include construction of new drainage, water, lighting, sewer, fire protection and electrical systems. The action will also contain contaminated soils. Figure 4 shows the Pier 29 action and its proximity to Nimitz Highway, the major highway linking to the interstate highway system.

Figure 3: Piers 1 and 2 Users



Note: NYK uses a part of ACT's yard when necessary. Also, Matson uses ACT's yard at times, transferring cargo through the NYK yard.

Figure 4: Pier 29 Action



Relocating ACT cargo operations from Pier 1 to Pier 29 will eliminate untenable working conditions at Piers 1 and 2, and allow the remaining users to work more efficiently when multiple vessels berth alongside. Cargo moving between ACT and Young Brothers Limited's (YB) Piers 39 and 40 terminal will travel 1.7 miles less, and avoid congestion in the downtown area.[5] Also, because Pier 29 is located west of downtown Honolulu and closer to the H-1 Interstate Highway. Additional benefits include lower fuel consumption by truckers because of reduced travel distances and time. This will in turn reduce greenhouse gas emissions.

HDOT Harbors completed a Hawaii State Environmental Assessment (EA) finding of no significant impact (FONSI) in June 2009. If TIGER funding is awarded to this action, National Environmental Policy Act (NEPA) review is expected to be completed within 6 months. HDOT Harbors will complete design documents by October 2009. The action will be advertised for construction bid by November 2009.

2.2 Hawaii Island

Hawaii Island is located about 183 nautical miles from Honolulu Harbor. It depends on its two commercial harbors for supplies and exports. Hawaii County contains major resort areas, coffee and nut farms, and a wide range of diversified agriculture. It contains Pohakuloa Training Area (PTA), the largest US Army training area in Hawaii. While soldiers are flown in, all supporting equipment and vehicles are shipped from Oahu to Kawaihae Harbor and driven to the site. In addition, Mauna Kea is home to 13 international observatories. Still, Hawaii County is designated as an Economically Distressed Area (EDA) based on its high unemployment rate.

2.2.1 Hilo Harbor

Hilo Harbor, as shown on Figure 5, is located on the northeastern portion of Hawaii Island. It is the farthest commercial harbor in the state from Honolulu Harbor. The primary inter-modal link is Kalanianaole Avenue, connecting the harbor to the rest of the island. Hilo Harbor has only 3 piers and is constrained in terms of berth and yard space. YB operates a roll-on/roll-off (RO/RO) interisland barge operation from Pier 2 that services the entire east side of Hawaii Island.

Pier 2 has insufficient yard capacity for YB. In addition, the Pier 2 yard is in poor condition with uneven pavement surfaces and structural failures. These conditions increase operational costs and create safety hazards.

Currently, YB's heavy equipment moves across Kuhio Street, where cruise passengers walk to the surrounding community. Due to the lack of storage space, YB stacks and moves containers alongside the passenger corridor. The *New Interisland Barge Terminal at Pier 4* will separate cargo from passenger activities. Figure 6 shows the separation once the development is completed.

[5] Approximately a quarter of ACT cargo is transshipped by YB to or from Neighbor Island ports.

Figure 5: Hilo Harbor and Surrounding Areas (without Kumau Street Entrance)

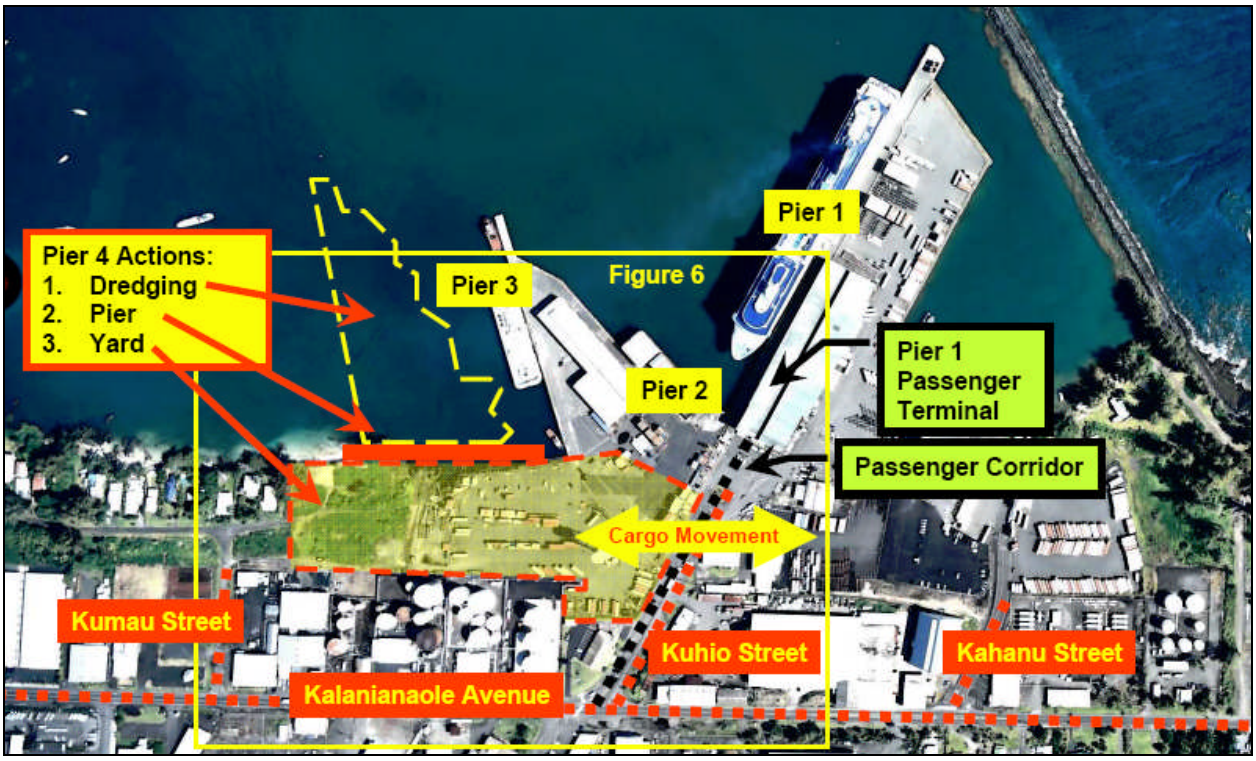
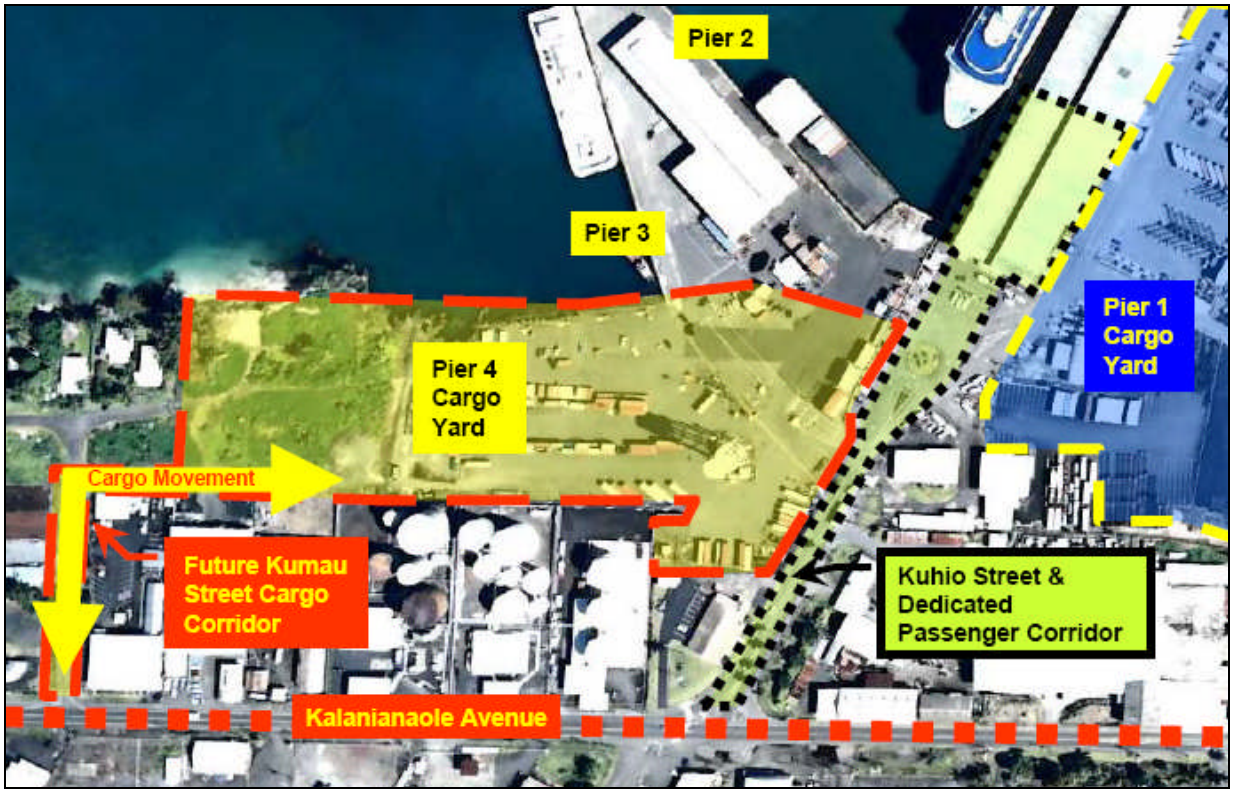


Figure 6: Cargo and Passenger Interface, Hilo Commercial Harbor (with Kumau Street Entrance)



The *New Interisland Barge Terminal at Pier 4* includes three phases:

1. Dredging of approximately 165,000 cubic yards of materials to allow barge access to Pier 4. Some of the fill material needed on-site is expected to come from the dredged material, which will reduce the cost of both phases of the development.

2. Reconstructing and expanding the existing yard. Other improvements include upgrading utilities and lighting, construction of a new comfort station, perimeter security fencing and a new terminal gate to improve traffic movement.

3. Construction of a new 686-foot-long by 50-foot-wide pier and its associated improvements, drainage and fender systems, and pier-side utility hatches for water and electricity.

The improvements will increase berth capacity at Hilo harbor by 26.3 percent and expand cargo handling and storage space by 16.5 percent.

Following project completion, a new entrance gate at Kumau Street will provide direct access to Pier 4, separating commercial traffic from passenger activities. HDOT Harbors is committed to the estimated $5 million cost for this non-action improvement. Design is expected to start mid-2010.

HDOT Harbors completed a Hawaii State Environmental Impact Statement (EIS) in August 2001. If TIGER funding is awarded to this action, NEPA review is expected to be completed with 8 months. HDOT Harbors completed dredging and yard design documents in June 2008. The dredging and yard contracts were awarded in April 2009. The dredging action is pending issuance of a US Army Corps of Engineers (USACE) permit. Design efforts for the pier are under way.

2.2.2 Kawaihae Harbor

Kawaihae Harbor, as shown on Figure 7, serves the entire west side of Hawaii Island. It supports important economic generators, notably the Kohala and Kona Coast resorts, the US Army training area and the Natural Energy Laboratory of Hawaii. The inter-modal link is Kawaihae Road.

Kawaihae Harbor has two piers. Its improved yard space is insufficient for current needs. YB operates interisland barge service at Pier 2A. The Pier 2A action area highlighted in yellow is unimproved, not level and unusable due to dust and dirt impacts on cargo and the neighboring community. In addition, the unimproved yard cannot support state-of-the-art cargo handling equipment.

The *Pier 2A Terminal Improvements* action includes paving of 3.1 acres that will increase the operational acreage of the harbor by 11.8 percent. Two existing structures, the Hawaii District office and a comfort station, will be demolished. A new Leadership in Energy and Environmental Design (LEED) Silver and American with Disabilities Act of 1990 (ADA) compliant office and comfort stations will be built.

Figure 7: Kawaihae Harbor and Surrounding Areas

Working with MARAD, HDOT Harbors completed a joint Hawaii State and NEPA EA in February 2009 covering the Pier 2A action. Design activities have started and are expected to be completed by early 2010.

Kawaihae Road connects to Queen Kaahumanu Highway, where cargo is then distributed throughout the island. Two independent roadway actions will improve traffic conditions on Kawaihae Road and support increased harbor capacity. First, in a collaborative effort between HDOT Highways and Harbors, roadway improvements such as additional turning lanes will be made. This action will immediately improve traffic conditions by increasing roadway capacity and safety. Eventually, the Kawaihae Bypass Road project will modernize the inter-modal connection for the entire region by providing a new roadway to access the harbor.

3. SELECTION CRITERIA

3.1 Primary Selection Criteria: Long Term Impacts

3.1.1 State of Good Repair

The project meets all three Notice of Funding Availability (NOFA) criteria:

1. *Is a goal of the project to rehabilitate, reconstruct or upgrade surface transportation projects that threaten future economic growth and stability due to poor condition?*

Yes. All three actions address deficiencies in commercial harbors infrastructure that reduce capacity and efficiency for cargo movement:

a. *Reconstruction of Pier 29 Container Yard*. In 2008, the Pier 29 yard suffered structural failures displacing ACT operations to Pier 1. This action adds approximately 12 acres of upgraded cargo yard. It increases efficiency and safety both at Pier 29 and at Piers 1 and 2 by increasing capacity and reducing congestion. In addition, this action contains contaminated soils under the Pier 29 yard.

b. *New Interisland Barge Terminal at Pier 4*. Hilo Pier 2 has insufficient yard space for the volume and variety of cargo it handles. In addition, the Pier 2 yard is in poor condition with uneven pavement surfaces and structural failures. This action increases yard and berth space, and locates cargo handling close to the pier. Once the Kumau Street gate is built (after the current project), it will separate cargo and passenger activities by providing a dedicated passenger corridor though Kuhio Street.

c. *Pier 2A Terminal Improvements.* At Kawaihae Harbor, the action provides improved yard area by paving and leveling 3.1 acres to match the current yard. The upgraded yard supports efficient cargo handling and storage.

d. In all three cases, yard improvements enhance cargo handling efficiency, reduce wear and tear on heavy equipment, and extend the service life of that equipment.

2. *Is the project capitalized up front and using asset management approaches that optimize its long-term cost structure?* Yes. HDOT Harbors has long managed the ports, planned for both short- and long-term needs, and paid for improvements through its special fund. Infrastructure maintenance is programmed to maximize the useful life of HDOT Harbors assets.

3. *Is there a sustainable source of revenue available for long-term operations and maintenance?* Yes. HDOT Harbors operates as a tariff based system with a dedicated source of revenue. On average, HDOT Harbors spends between $25 and $30 million on infrastructure improvements and $15 million for maintenance annually. Tariff increases are planned for 2010. [6]

3.1.2 Economic Competitiveness

Hawaii depends on an efficient commercial harbors system to support its economy. If dependable and efficient ocean surface transportation were disrupted, its economy would be severely impaired. All three actions create or preserve jobs throughout the economy and support additional job-creation in emerging industries.

The project meets all four NOFA criteria:

[6] The proposed rules are posted at http://hawaii.gov/dot/harbors/whats-new/proposed-administrative-rules-to-adjust-tariffs.

1. *"The quality of jobs as well as the number of jobs will be considered …"* The project supports economic diversification on Hawaii Island, including development of a high-tech industry (discussed later in this section) in which Hawaii is a world leader.

2. *"Whether these jobs provide employment in Economically Distressed Areas (EDAs)…"* On Hawaii Island, the average per capita income falls below 80 percent of the national average, making the county an EDA.[7] The two actions at the island's commercial harbors will support growth of local export industries as well as new technology associated with Hawaii's renewable energy and astronomy initiatives.

   On Oahu, most stevedores are from the Leeward Coast. This is an area with historically low wages and high unemployment. While the City and County of Honolulu does not qualify as an EDA, the area most affected by port workers' income is recognized as economically depressed.

3. *How does the project improve long-term efficiency, reliability or cost-competitiveness in the movement of workers or goods?* The expansion and upgrading of cargo yards in close proximity to the piers and major inter-modal roadways lead to more efficient cargo handling, movement of container traffic and storage operations. This lowers operating costs and speeds delivery of cargo to shippers. As described in the BCA, the net savings (in reduced workhours, reduced fuel costs, improved investment life of equipment, and workforce safety) due to increased efficiency is projected between $105 and $139 million over thirty years of operations.

   Increased handling efficiency translates into lower distribution costs for all businesses in Hawaii, and ultimately for consumers. With commercial harbors space severely constrained in many areas, productivity gains allow more cargo to be handled within the available yard area. Hence, the actions reduce or defer the need for future investment in harbor working areas which will arise as cargo volumes increase over time.

4. *How does the project make improvements that allow for expansion, hiring, or other growth of private sector production, particularly in EDAs?* The project supports the growth of other businesses throughout Hawaii. On Hawaii Island, these include the export of bottled deep sea water and of activated carbon produced from nut shells. Visitor industry growth creates opportunities for small business as well as resort operators.

Additional Information. Specific industries highly dependent on the ports include:

- *The Visitor Industry.* Tourism is Hawaii's main industry. It attracts some seven million visitors a year. International visitor expenditures amount to $4 billion or more annually.[8] The tourist industry relies on food, fuel, raw materials and consumer goods imported through the commercial harbors system.

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[7] Based on 2007 per capita average income analyzed by Bureau of Economic Analysis. Posted at http://hepgis.fhwa.dot.gov/hepgis_v2.

[8] DBEDT. *2007 Annual Visitor Research Report.* Posted at http://hawaii.gov/dbedt/info/visitor-stats/visitor-research/.

- *Exports.* Hawaii exports to Asia include agricultural products (e.g., Kona coffee from Hawaii Island) and, in recent years, bottled deep sea water. Bottled water is produced by distillation of water pumped from 3,000 feet below sea level at the Natural Energy Laboratory of Hawaii. Export markets include Japan and South Korea. The value of this export climbed from less than $1 million in 2002 to $39 million annually in 2007.
- *New Investment in the United States.* Hawaii attracts outside investment because of its unique location and climate. It competes with foreign sites in agriculture and astronomy. Notably, the Canadian and US astronomers developing the $1.2 billion Thirty Meter Telescope project considered two sites: Mauna Kea on Hawaii Island and Chile. Mauna Kea was selected, pending completion of environmental reviews. Construction is scheduled to begin in 2010 and be completed by 2018. Sensitive instruments, mirrors, and large volumes of construction materials must pass through the commercial harbors, be staged near the harbors, and then be moved to the project site.

  The new observatory will bring hundreds of construction jobs, plus an estimated 140 permanent direct operations jobs. In 2009 dollars, the direct operations wages amount to about $10.5 million annually. In addition, firms specializing in adaptive optics are developing a local technology sector.

  The US government is already investing in improvements to Saddle Road near the base of Mauna Kea. Improved yards in the Hawaii Island commercial harbors will help to assure that Hawaii Island can support its leading technology sector.

3.1.3 Livability

Honolulu has been ranked as the “most livable” city in the United States, in part because of its commitment to public transportation.[9]

The project meets all four NOFA criteria:

1. *How does the project enhance user mobility through the creation of more convenient transportation options?* All three actions increase livability by improving the quality of life for the community:

   a. *Reconstruction of Pier 29 Container Yard. This action reduces truck traffic on busy and congested roadways through the urban center near Piers 1 and 2 by relocating much of the traffic to the west of Downtown, towards Pier 29 and onward. Since Pier 29 is closer to nearly all truckers’ destinations, this action helps to reduce fuel consumption and greenhouse emissions.*

   b. *New Interisland Barge Terminal at Pier 4.* This action separates cruise passenger and cargo movements, increasing safety and improving visitors’ experience.

[9] *Monocle*, July 2009.

c. *Pier 2A Terminal Improvements.* Relocation of the Kawaihae Harbor office to outside of the regulated area will improve community access to HDOT Harbors personnel and services.

2. *Does the project enhance points of modal connectivity or reduce congestion on existing modal assets?* Yes. All the actions reduce congestion (as documented above and quantified in the BCA). The Hilo action leads to new and safer traffic patterns by separating cargo from passenger activities.

3. *Does the project improve accessibility and transportation services for economically disadvantaged populations, non-drivers, senior citizens, and the disabled or make goods, commodities and services more available to these groups?* Yes. On Hawaii Island, rural communities depend on less-than-container load cargo (LCL) operations (provided only by YB) for much of their supplies and some of their exports. These operations demand a dedicated space at each harbor to hold and consolidate cargo for collection or distribution. Old sheds for LCL operations are typically located near the pier's apron, making container handling more difficult. With additional yard space, LCL operations can be located away from the piers where heavy cargo transfer operations take place. This will create efficiencies for consumers picking up cargo as well as for cargo handlers.

4. *Was a planning process used that coordinated transportation and land-use planning decisions and encouraged community participation in the process?* Yes. The project follows from HDOT Harbors' master planning processes on each island. These involve maritime stakeholders, community members, and Federal, State, and local government agencies. All HDOT divisions participate in commercial harbors master plans. The Harbors and Highway divisions work closely on improvements to access roads. The specific actions were refined with HHUG, a maritime users group.

Additional Information. At Kawaihae, paving of an area currently filled with crushed coral significantly reduces fugitive dust that now affects the surrounding residential community and recreation areas. Paving of this area will also reduce the risk of damage to exposed cargo such as new automobiles.

3.1.4 Sustainability

The project meets both NOFA criteria:

1. *Does the project improve energy efficiency, reduce dependence on oil and/or reduce greenhouse gas emissions?* Yes. The project improves operational efficiency by reducing congestion. This reduces fuel consumption and greenhouse emissions in the following ways:

   a. The project supports ocean surface transportation to move cargo, which is more efficient than air transportation in terms of fuel use and greenhouse emissions needed to move each unit of cargo.

b. Increased commercial harbor capacity will permit the efficient transport of large renewable power-generating equipment such as windmill blades throughout the islands.

c. With more efficient movement of cargo in the yards, fuel use and greenhouse gases due to heavy equipment operations will be reduced.

d. The *Reconstruction of Pier 29 Container Yard* action will relocate a part of cargo operations currently at Piers 1 and 2 further west of the Honolulu urban center. This will lead to increases in efficiency and translate into a reduction in fuel consumption and greenhouse gas emissions by truckers because of the closer proximity to their destinations. Both are quantified in the BCA.

e. With increased yard capacity, barge operators can tow tandem (double) barges, between islands or between Hawaii and the US Mainland, as demand increases. This reduces fuel consumption and greenhouse gas emissions per unit of cargo.

2. *Does the project maintain, protect or enhance the environment, avoid adverse environmental impacts, and/or create environmental benefits?* Yes. The project avoids adverse environmental impacts and provides environmental benefits.

a. HDOT Harbors will design all new structures to LEED Silver standards, increasing the energy efficiency of its facilities. New buildings at Kawaihae Harbor will incorporate photovoltaics for energy generation. HDOT Harbors supports recycling or reuse of salvaged materials for new projects.

b. As discussed above, the reduction in yard congestion and the increase in operational efficiency translate into reduced fuel consumption and greenhouse gas emissions both by heavy equipment and by trucks, providing environmental benefits.

c. All new yard lighting systems are designed, by shielding and downward orientation, to protect threatened bird species such as Newell's Shearwater from exhaustion or injury.

d. Mauna Kea on Hawaii Island is blessed with an extremely dark sky because of its high elevation and location in the central Pacific. This provides an ideal condition for observatories. The new lighting systems at Hilo and Kawaihae will use low-pressure sodium lamps to control light emissions into the sky.

e. The *New Interisland Barge Terminal at Pier 4* action will use part of the dredge material for fill in the yard, avoiding adverse environmental impacts through its reuse. In addition, the compensatory mitigation plan for coral loss in the dredge area involves the creation of an artificial reef, controlling the growth of invasive algae, and monitoring the impacted site.

Additional Information. In 2008, Hawaii Governor Linda Lingle signed a memorandum of understanding with the US Department of Energy for the *Hawaii Clean Energy Initiative*. Hawaii will reduce its dependence on fossil fuels by increasing energy efficiency and accelerating the use of renewable energy resources. These measures will help Hawaii meet its goal of 70 percent clean energy by 2030. By extending the life span of harbor

infrastructure and allowing more efficient cargo operations, the project makes the commercial harbors system more sustainable and helps to meet this goal.

In addition, HDOT Harbors has in place an environmental management system that provides a process to reduce environmental impacts by preventing pollution, mitigating risk, enhancing compliance and increasing its operating efficiency. This contributes to making the commercial harbors system more sustainable.

3.1.5 Safety

Hawaii maritime firms and unions are proud of their safety records. The project addresses three conditions that pose a risk to safety:

- Congested working spaces that force cargo handlers to operate in small areas, in close proximity to each other and to trucks picking up or depositing loads.
- Cargo handling surfaces that are unimproved or have deteriorated such that heavy equipment operations risk damage to the surface, to equipment, and to personnel.
- Areas where cargo and passenger activities are in close proximity.

The project is expected to reduce risk of injuries for longshoremen, truckers, customers and cruise passengers. A conservative estimate of the safety impact was derived from records of the cost of injuries to longshore workers. This impact was deemed proportional to the decrease in congested yard space in the commercial harbors system, and amounting to an average annual saving of $231,600 as of 2011.

Reduced risk of injuries to truckers and commercial customers in the commercial harbor areas is also expected, but could not be calculated. Moreover, the Hilo action lowers the risk of accidents to cruise passengers. At both Hilo and Kawaihae harbors, expansion of the yard area allows relocation of LCL operations away from the pier area, so customers will not have to drive into areas where heavy equipment is at work. This increases efficiency by lessening wait times and lowering the risk of accidents to stevedores and customers alike.

In Honolulu, removal of nearly 1,000 truck trips per voyage between the Pier 1 and Pier 29 roadway corridor reduces congestion and hence the risk of vehicle accidents.

3.2 Near-Term Impacts

3.2.1 Job Creation and Economic Stimulus

The project is a significant source of job opportunities for all of Hawaii's people:

1. *Does the project promote the creation of job opportunities for low-income workers?* Yes, it provides construction jobs, and stimulates indirect and induced jobs throughout the regional economy. Taken together, all three actions are expected to generate 1,182 person-years' employment in Hawaii and a total wage impact of $72.3 million (counting only wages derived from construction-related expenditures).

a. *Reconstruction of Pier 29 Container Yard.* This action is expected to generate 146 person-years of direct employment, and an additional 158 person-years of employment throughout Hawaii due to indirect and induced cash flows.[10] The cumulative wages of these workers are estimated as totaling $18.6 million.[11]

b. *New Interisland Barge Terminal at Pier 4.* This development generates 362 person-years of direct employment, 390 person-years of indirect and induced employment, and a total wage impact of $46.1 million on Hawaii Island.

c. *Pier 2A Terminal Improvements*. This action generates 60 person-years of direct employment, 65 person-years of indirect and induced employment, and a total wage impact of $7.7 million.

2. *Will the project provide maximum practicable opportunities for small business and disadvantaged business enterprises, including veteran-owned small businesses?* Yes. Project procurement is subject to Hawaii State and Federal standards encouraging small and disadvantaged businesses.

3. *Will the project use community based organizations in connecting disadvantaged workers with economic opportunities?* Yes. The major community-based organizations connecting workers with opportunities in Hawaii are unions, which have apprentice programs serving disadvantaged communities. Procurement according to Federal and Hawaii State rules supports union hiring. The great majority of these jobs are in an Economically Distressed Area.

4. *Will the project support entities that have a sound track record on labor practices and compliance ensuring that workers are safe and treated fairly?* Yes. Under Hawaii State procurement standards, unsafe or discriminatory employers can be and are barred from procurement competitions.

5. *Does the project implement best practices consistent with civil rights and equal opportunity laws to ensure that all individuals benefit from the Recovery Act?* Yes. Procurement and implementation of the project are subject to Hawaii State and Federal Civil Rights agency oversight and follow all applicable civil rights and equal opportunity laws.

3.2.2 Quick Start Activities: Timeline

1. *Project Schedule: Demonstrate that the project can begin construction quickly and show how many direct, on-project jobs are expected during each calendar quarter.* See Figure 8 (page 18) for the timeline. In all three locations, HDOT Harbors has conducted planning and design, and prepared environmental submittals. The number of direct jobs per quarter will vary as work proceeds. Table 2 provides an estimate of direct jobs by quarter.

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[10] Direct job numbers are calculated from total construction spending, at a ration of 4.83 jobs per million dollars spent, from historical ratios of construction job count to spending. Indirect and induced jobs are estimated for heavy construction, based on the 2005 Input-Output Model developed and refined by DBEDT.

[11] Wages are taken from average statewide wages for heavy construction (direct) and all covered employment (indirect and induced) for 2007, adjusted to 2009 dollars in line with the Consumer Price Index for Honolulu.

Table 2: Direct Construction Jobs by Quarter

	Honolulu	Hilo	Kawaihae	Combined
Total Direct Jobs (FTE)	146	362	60	569
Construction (years)	1.4	2.2	1.1	
Jobs/Year (person-years)	103	167	56	
Direct Jobs by quarter 2009 Q4	-	-	-	-
2010 Q1	-	90	-	90
2010 Q2	-	90	-	90
2010 Q3	-	150	20	170
2010 Q4	60	180	65	305
2011 Q1	125	220	85	430
2011 Q2	140	240	85	465
2011 Q3	135	240	20	395
2011 Q4	40	160	-	200

2. *Environmental Approvals:* See Sections 4.2 and 4.3. Environmental documents for all actions are appended to this application.

3. *Legislative Approvals*: Funds for the project have been appropriated in the State budget (2009 Session Laws of Hawaii, Act 162). No further approvals are needed.

4. *State and Local Planning:* Relevant planning documents include HDOT Harbors Master Plans[12] and environmental studies appended to this application.

5. *Technical Feasibility:* See design documents submitted with this application.

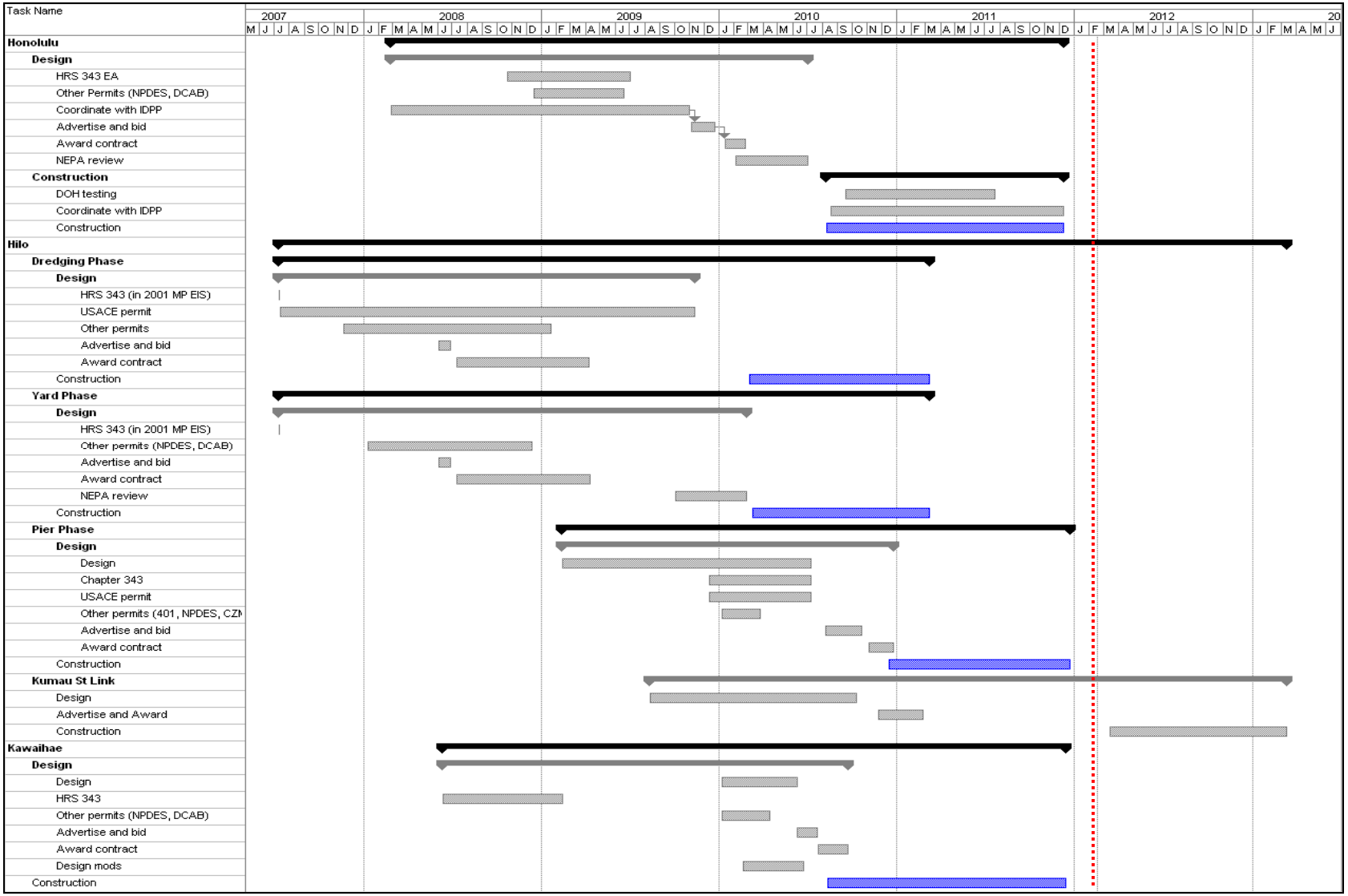
6. *Financial Feasibility – Describe the viability and completeness of the financing package including evidence of reliable financial commitments and contingency reserves and evidence the recipient can manage grants.* HDOT Harbors manages a special fund for operations, maintenance and capital improvements.

   Under its Bond Covenants, HDOT Harbors' net revenues must be at least 1.25 times its debt service requirements; as of the most recent audit report, the coverage ratio was 2.29.[13]

[12] HDOT Harbors completes long-range master plans for each island, drawing on input from maritime stakeholders, other commercial harbors users, local, state and Federal agencies and the community. These are then reviewed in a Hawaii State EIS: *Oahu Commercial Harbors 2020 Master Plan (*final EIS completed 1999*); Hawaii Commercial Harbors 2020 Master Plan* (Final EIS completed 2001). The Hawaii Island master plan is currently being revised.

[13] The Auditor, State of Hawaii. *Financial Statements, State of Hawaii, Department of Transportation, Harbors Division, Years Ended June 30, 2008 and 2007, with Report of Independent Auditors.* Posted at http://hawaii.gov/dot/harbors/file-links/financial-audit-reports/State%20of%20Hawaii%20DOT%20Harbors%20Division%20Financial%20Statements%206.30.08%20-final.pdf

Figure 8: Timeline for TIGER Actions



Note**:** **Blue** bars indicate actions to be funded by the TIGER grant. The end of the TIGER grant expenditure period, February 17, 2012**,** is shown as a **red** dotted line, after the project is completed.

The tariffs supporting the Harbors Special Fund will increase in 2010, with regular rate increases thereafter. HDOT's recent agreement with MARAD for project management provides a vehicle for oversight of progress and expenditures on Federally-funded projects.

7. *Will the project will be able to obligate funds prior to September 30, 2011?* Yes. See timeline and project descriptions. All three actions are expected to be under way in 2010 and completed by the end of 2011.

3.3 Benefit-Cost Analysis

A Benefit-Cost Analysis (BCA) provides an account of the net benefits for each of the three actions. HDOT Harbors used the USACE Econpack program version 3.2.2 to generate life-cycle cost analyses for each harbor. Impacts on near-term job creation, long-term economic competitiveness, sustainability and safety are monetized. The findings and methodology used for the analysis are posted at www.hawaii.gov/dot/harbors/tiger. The results of the BCA show each action yields greater benefits than costs. The combined benefit to cost ratio is 2.2 for the project.

Total present value savings associated with the project are estimated at between $104 and $139 million, depending on the discount rate used. The analysis is posted at www.hawaii.gov/dot/harbors/tiger. Table 3 shows the BCA results and the Econpack runs using discount rates of three percent and seven percent:

Table 3: Findings from Benefit-Cost Analysis

	Honolulu	Hilo	Kawaihae	Combined
Grant Request (million 2009 $s)	$24.5	$59.0	$11.5	$95.0
Benefit to Cost Indicators --				
A. At 3% Discount Rate				
Savings to Investment Ratio	3.4	1.5	3.1	2.2
Payback Period (years)	0.9	0.9	1.0	0.9
Total Present Value of Savings (million $s)	$69.9	$69.0	$29.8	$139.0
B. At 7% Discount Rate				
Savings to Investment Ratio	2.2	1.2	2.0	1.6
Payback Period (years)	1.0	4.6	3.4	3.5
Total Present Value of Savings (million $s)	$47.7	$56.8	$19.5	$104.6

Note: Present Value analysis calculated at discount rates indicated in NOFA. Benefit to Cost Ratio is calculated in Econpack through comparison of alternatives, and hence as a "Savings to Investment Ratio," the savings being the reduced costs of operations and maintenance over time with the new infrastructure investment. Present value of savings is a model output.

3.4 Secondary Criteria

3.4.1 Innovation

The project uses developed technologies to promote efficient cargo movement. Innovative elements of the project include design of new buildings to minimize energy use and mitigation strategies for contaminated soils in Honolulu. In Honolulu, plans call for fiberglass piping and biaxial geogrid to address local soil problems. At Hilo, the new yard and roadway will permit the operator to convert to a gate-based inventory and control system.

The MARAD partnership assures state-of-the-art project management services for the project.

3.4.2 Partnership

Table 4 identifies Federal and State financial contributions for the actions shown in the Figure 8 timeline.

HDOT Harbors coordinates improvements with its sister HDOT agencies. The major roadways serving the commercial harbors are the responsibility of the Highways Division. In Hilo, the County of Hawaii has agreed to transfer Kumau Street to the State to facilitate harbor infrastructure development.

Table 4: Funding Sources for Project, by Phase

	Honolulu	Hilo	Kawaihae	Combined
Project approval, environmental documentation				
HDOT: Harbors Special Fund	$162,000	$650,000	$50,000	$862,000
MARAD	$0	$0	$200,000	$200,000
Plans, specifications, estimates				
HDOT: Harbors Special Fund	$1,063,000	$1,610,000	$750,000	$3,423,000
Construction				
HDOT: Harbors Special Fund	$5,810,000	$16,000,000	$1,000,000	$22,810,000
TIGER funds requested	$24,500,000	$59,000,000	$11,500,000	$95,000,000
Total	$31,535,000	$77,260,000	$13,500,000	$122,295,000

HDOT Harbors planning is comprehensive, with island-level plans developed in collaboration with maritime stakeholders, recreational users, community groups, and county, State and Federal agencies.

HDOT Harbors worked closely with maritime stakeholders to develop the Harbors Modernization Plan (HMP), and has executed a working agreement with MARAD for joint projects. These collaborative efforts continue.

In Honolulu, a consortium of landowners and users, the Iwilei District Participating Parties LLC, is collaborating on a process to remediate existing soil contaminants. The Pier 29 site is in the Iwilei partnership area.

The project is widely supported, as shown by the attached letters from government, maritime, and union representatives. In addition, the Hawaii Congressional Delegation is sending a joint letter of support directly to Secretary LaHood.

3.5 Program-Specific Criteria

3.5.1 Hawaii Commercial Harbors System: Throughput and Demand

The commercial harbors system works to insure service to all inhabited islands and to allow ocean shipping carriers to move cargo effectively. In 2008, Hawaii's commercial harbors handled 21,094,123 short tons, including 1,497,786 TEUs and 33,317,981 barrels of liquid products. Total cargo throughput has been increasing much faster than other economic indicators (as shown in the table below). Passenger volumes have varied with changes in the number of Hawaii-based cruise ships in recent years, with counts ranging between 250,000 to 500,000.

Table 5: Average Annual Increase in Cargo Tonnage through Hawaii's Ports and in Gross State Product[14]

	Waterborne Commerce		**Gross State Product**
	Oahu	*Hawaii Island*	
1996 to 2006	2.6%	7.9%	1.8%
1986 to 2006	2.4%	4.2%	1.9%
1981 to 2006	2.7%	4.1%	2.2%

Note: Gross State Product held constant in 2000 dollars.

For Oahu, demand for container and automobile yards in Honolulu Harbor was estimated to grow by 88.9 acres from 2000 to 2020.[15] The *Hawaii Commercial Harbors 2020 Master Plan* identified demand for 41 acres at Hilo and 42 acres at Kawaihae, for cargo terminals.[16] The terminals in this TIGER application have been identified as needed in the Oahu and Hawaii Island master planning efforts.

Demand for cargo berths and terminal space is still firm despite the current recession, and is expected to increase in the coming years. Long-term plans call for expansion of terminal areas and piers at Honolulu, Kalaeloa Barbers Point, Kahului, Hilo, and Kawaihae harbors to continue to support prosperity and job growth throughout Hawaii.

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[14] USACE and DBEDT in *State of Hawaii Data Book 2007.*

[15] Parsons, Brinkerhoff, Quade and Douglas, Inc. and Ogden Beeman and Associates, Inc. *Oahu Cargo Forecasts and Fuiture Commercial Port Facility Requirements.* 1996. That study, prepared for the 2020 Oahu Commercial Harbors Master Plan, treated Pier 29 as a working yard in 2000. Since it is now unusable, the need for cargo yard area is greater than estimated above.

[16] R.M. Towill Corporation, *Final Environmental Impact Statement for the Hawaii Commercial Harbors 2020 Master Plan: Island of Hawaii, Hawaii.* 2001.

Over the long term, resident population and income growth are expected to resume at a rate of about 1 percent per annum statewide and at a higher rate in Hawaii County.[17] Taking into account the historic trend for cargo volumes to increase faster than the Gross State Product, recent projections indicate that the cargo volumes will increase by 2030 over 2000 levels by 139 percent on Oahu and by 328 percent on Hawaii Island.[18]

3.5.2 Efficiency

With constrained yard space, harbor users have to handle a large volume of cargo in small areas. This reduces operational efficiencies, e.g., cargo operators and trucks must queue to use handling areas, containers are stacked high, and freight must be moved multiple times for storage and delivery.

The volume of cargo handled per acre of cargo yard in Honolulu is high compared to similar US ports.[19] The cost of harbor operations in Honolulu is also high among US ports.[20] Gains in efficiency achieved due to the project hence have significant consequences for economic competitiveness. See Section 3.1.2 for detailed discussion.

3.5.3 Reliability and Resiliency

To support the State's economy, HDOT Harbors has attempted to develop more than one commercial harbor on each island, minimizing the potential impacts of disasters and emergencies through system redundancies. After the 2006 earthquake, HDOT Harbors and its users were able to respond quickly and effectively to keep cargo moving, despite severe damage to Kawaihae Harbor. All improvements will be designed to current earthquake standards.

3.5.4 Support for US National Security

Some 40,000 members of the US Armed Services and 60,000 dependents live in Hawaii. The headquarters for Pacific Command and the Pacific Fleet are on Oahu. Pearl Harbor serves as a major homeport and shipyard for the US Navy. Supplies, consumables and materials pass through Honolulu Harbor and are distributed statewide and to Guam. On Guam, the Armed Services are modernizing and expanding facilities to replace bases on Okinawa. This transformation requires an undisrupted supply line. As such, efficient harbor operations in Hawaii are vital in support of US national security interests throughout the Pacific area. In addition, Kawaihae Harbor supports the largest training area in Hawaii. It is used by units from all the Armed Services.

3.5.5 External Factors Influencing Need for Project

As stated at the beginning of this application, Hawaii depends on ocean transportation far more than any other state to support its economy. There are no interstate rail lines, roadways or bridges to connect the islands. Hawaii's commercial harbors system is its marine highway system and lifeline to the world. The project makes a significant

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[17] DBEDT. *Population and Economic Projections to 2035 for the State of Hawaii: 2035 Series.* Honolulu, HI 2008.
[18] Calculated by extending the ratio of cargo to Gross State Product shown for 1986-2006 in Table 4.
[19] SMS Research. *Economic Impact Assessment of Hawaii's Harbors.* Honolulu, HI. 1997. JWD/AECOM *Terminal Throughput Densities at Selected Ports around the World.* 2005.
[20] B. Blonigen and W. Wilson, *New Measures of Port Efficiency using International Trade Data.* Institute of Water Resources, USACE, Report 06-NETS-R-01. Alexandria, VA 2006.

contribution to regional prosperity, especially for rural areas. As discussed above, yard and berth improvements have been selected for this application because they address existing inefficiencies that will worsen if not addressed soon.

4. REGULATORY REQUIREMENTS

4.1 Federal Wage Rate Requirement

All work on the three actions will comply with the requirements of Subchapter IV of Chapter 31 of Title 40, United States Code, as required by the *American Recovery and Reinvestment Act of 2009* (ARRA). This is certified in the attached submittal from Michael D. Formby, Deputy Director for HDOT Harbors.

4.2 NEPA Requirement

The status of environmental reviews for each action are as follows:

1. *Reconstruction of Pier 29 Container Yard*. HDOT Harbors completed a Hawaii Revised Statutes (HRS) Chapter 343 environmental assessment (EA) finding of no significant impact (FONSI) in June 2009. National Environmental Policy Act (NEPA) review is expected to be completed within 6 months of Federal funding.

2. *New Interisland Barge Terminal at Pier 4*. HDOT Harbors completed a HRS Chapter 343 Environmental Impact Statement (EIS) in August 2001. If TIGER funding is awarded to this action, NEPA review is expected to be completed within 8 months. HDOT Harbors completed dredging and yard design documents in June 2008. The yard and dredging contracts were awarded in April 2009. For the dredging action, the US Army Corps of Engineers (USACE) has completed its internal environmental review. Permit issuance is pending design of a compensatory mitigation plan for corals. NEPA review of the pier will be conducted through USACE, once the dredging and use of the yard as a fill site have been approved.

3. *Pier 2A Terminal Improvements*. With MARAD's partnership, HDOT Harbors completed a joint HRS Chapter 343 and NEPA EA in February 2009.

4.3 Other Environmentally Related Federal, State and Local Actions

Table 6 summarizes the status of Federal, State and local permits, reviews and consultations for the project (either alone or in combination with other actions).

Table 6: Status of Permits and Reviews

	Honolulu	Hilo			Kawaihae
		Dredge	*Yard*	*Pier*	
County coordination:					
Water	√	NA	√	x	x
Fire	√	NA	√	x	x
Wastewater	NA	NA	√	x	x
State permits or consultation					
Environmental (HRS 343)	√	√	√	√	√
NPDES	√	√	√	x	x
DCAB (ADA)	√	√	√	x	x
Coastal Zone Management	NA	√	NA	x	NA
Clean Water (Sect. 401)	NA	√	NA	x	NA
Federal permits or consultation					
NEPA review	x	Int	Int	x	√
USACE permits	NA	Sub	NA	x	NA

Notes: Reviews and consultation may be:

√	Accomplished	X	To be accomplished/in process
Sub	Submitted	Int	Internal review completed by agency, permit pending
NA	Not applicable to the action.		

Federal and state consultations mandated under NEPA (e.g., Section 7 Endangered Species Act consultation) are included in the NEPA timelines in Figure 8.

The proposed improvements are included in State master plans. Pursuant to HRS 266-2, HDOT Harbors is exempt from county building and grading permits. It meets or exceeds local building codes in its new construction.

5. Evaluation of Project Performance

As directed by ARRA Section 1201(c), periodic reports will be submitted to the US Department of Transportation (USDOT) detailing:

1. The amount of grant funds appropriated, allocated, obligated and outlayed under the TIGER grant.

2. The number of projects put out to bid, awarded, under way, or completed and the amount of TIGER grant funds associated with these contracts.

3. The number of direct jobs created or sustained by TIGER grant funds, and the estimated indirect jobs created or sustained in associated industries.

4. The total increase in employment since February 17, 2009.

5. The aggregate expenditures by HDOT Harbors for projects eligible for funding under the TIGER grant program between February 17, 2009 and September 30, 2010, as compared to the level of such expenditures planned as of February 17, 2009 to occur during this period on such projects. The list of covered programs and planned State expenditures within the period has been included in a letter from Hawaii State Governor Lingle to USDOT Secretary LaHood dated May 18, 2009.

A certification signed by the Hawaii State Governor will be submitted to the USDOT Secretary, stating that the proposed actions have received the full review and vetting required by law, and taking responsibility for the investment as an appropriate use of taxpayer dollars.

Section 1512 reports will be submitted to the Office of Management and Budget as detailed in the Notice of Funding Availability and subsequent guidance from that agency. As indicated in the Notice, HDOT Harbors will be ready to provide additional information to the USDOT as needed to satisfy the purposes of ARRA.

The Maritime Administration will partner with other federal agencies, the State of Hawaii, and local governments to implement time sensitive and cost effective infrastructure improvements that stimulate sustained economic growth. MARAD involvement will help to assure efficient management and comprehensive reporting of the project and its impacts.