



## **Where are we with rail? Way over budget as predicted**

By Cliff Slater

Many people say that we at Honolulutraffic.com had forecast that the rail transit program would get into its current poor financial shape. That is wrong; we had forecast that it would not have problems until it reached Dillingham Boulevard.

We said many times that the City had deliberately started building rail out in the country where they would experience the fewest problems, rather than in the city where grave difficulties lay.

Starting in the country they would lay sufficient track before encountering the serious cost overruns in the City that it would be impossible to stop the project.

We were wrong; they are barely out of the country and already they are significantly over budget. Businesses along the route are closing and the driving public is increasingly encountering greater traffic congestion.

However, we were right that the real difficulties still lie ahead. Dillingham construction work will severely harm the businesses along that route unless the City plans far better mitigation measures than they have in Waipahu.

We believe the City underrates the difficulties they face in navigating through the area from Dillingham and into town. Once they get close to Nimitz they will be building the elevated rail line on landfill since the original waterfront goes back to King Street. Once they have transited to Halekauwila Street they will have protracted delays because this is the old Hawaiian traditional burial grounds.

Attending all these construction problems will be the traffic delays. At least half of Dillingham and Nimitz will be closed for long periods as will much of Halekauwila.

None of this should be surprising. No modern elevated heavy rail line has been built in the U.S. that did not go substantially over budget. San Juan, Puerto Rico, another island with a political culture akin to ours, ran 78 percent more than the final federally-approved forecast for their rail line.

And when the whole thing is built, then begin the operating costs. The City forecasts them to be over \$100 million annually more than TheBus costs. Nothing has been planned for that and so it will have to come out of the City's General Fund, which is to say, from new or expanded property taxes.

But wait, there's more

You hear that once you have a rail line you have it forever. No you do not. For example, the trains themselves have to be repaired or replaced every 12-25 years,<sup>1</sup> and Manila rail transit is replacing half of

its worn out rail lines after only 15 years of service. Overall, we will spend over the next fifty years as much as the rail line cost in the first place — in real dollars (think Aloha Stadium).

Since all the modern U.S. rail lines are in great disrepair<sup>ii</sup> and busily searching for new taxes to fund them, the feds are now recommending that cities set up sinking funds to prepare for future replacement and refurbishing costs.<sup>iii</sup> That will be around \$8 billion plus any inflation over that time, or about \$100 million needed annually for the Sinking Fund.

What do we get for all this?

Energy use? The average modern rail line uses 75 percent more energy than TheBus. San Juan, Puerto Rico uses three times what TheBus uses.<sup>iv</sup>

Traffic congestion? The City shows us that if we do not build rail auto traffic will increase by 23 percent. If we do build it, auto traffic will increase 21 percent.

Environment? The Outdoor Circle describes the rail project as, “an ugly scar across one of the most beautiful places on earth.”

We could convert the rail project into a two-lane reversible highway. It is not engineering that would prevent it, just politics.

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<sup>i</sup> Chicago MTA requirement: “All rail cars rehabilitated at midlife (12 – 13 years), overhauled at their quarter-life points (6 and 18 years) and either rehabilitated or retired at the end of their useful life (25 years).” <http://www.chicago-l.org/capital.pdf> p. 5.

<sup>ii</sup> “Our 2013 Conditions and Performance Report finds that the backlog in transit maintenance and replacement stands at \$86 billion, a 10% increase since 2010.” Statement to Congress by FTA’s Chief Counsel. [http://www.fta.dot.gov/newsroom/sitemap\\_15994.html](http://www.fta.dot.gov/newsroom/sitemap_15994.html)

<sup>iii</sup> Rep. John Mica (R-FL) told transit officials in Washington, D.C. that the Metro system they operate to serve the nation’s capital is “unsafe for both passengers and employees.” <http://www.cnsnews.com/news/article/rudy-takala/rep-mica-dc-transit-system-unsafe-both-passengers-employees>

<sup>iv</sup> [http://cta.ornl.gov/data/tedb33/Edition33\\_Chapter02.pdf](http://cta.ornl.gov/data/tedb33/Edition33_Chapter02.pdf) Figs. 2.2 & 2.3. In Fig. 2.3, ignore “All heavy rail systems” as this is a weighted average, which includes the highly-efficient New York City subways that are 60 percent of the nation’s transit usage. Instead look at the unweighted average of about 3,500 Btu per passenger mile.