



Our view: Learn from rail's difficult history

Editorial, Honolulu Star-Advertiser, 19 Jul 2017

Focusing on course corrections, the Honolulu Authority for Rapid Transportation's board in June declined to proceed with a forensic audit — an independent accounting of the massive cost spikes and delays spanning the history of the ongoing rail project. The board should reconsider. The long-suffering public has a right to a thorough explanation, and a deep dive could hold lessons for politicians contemplating future ambitious projects.

The cash-strapped, \$8.2 billion project now faces a nearly \$3 billion shortfall, including financing costs. The system's official launch date has been pushed back about six years to December 2025 — and the contractor hired by rail's federal partners to oversee the project says it could take longer before passengers can ride in its train cars. The HART board voted behind closed doors to not proceed with a forensic audit after some board members expressed doubt that it would yield more guidance than what they've already received from other audits. An independent firm conducts annual finance audits; two other high-profile audits recently offered dozens of recommendations on how to better manage rail and curb its growing costs.

But a forensic audit is different. It looks back as much as forward, and not entirely for HART's benefit. It's also for Oahu residents, who are footing a much higher bill than expected for the largest public works project in state history. HART board member John Henry Felix and former member Colleen Hanabusa (now a congresswoman), endorsed the audit, saying the public should understand what happened in the past so as to avoid future mistakes.

It also could "restore public confidence in this project," Felix said. Confidence has been strained. Voters are not getting what they signed up for back in November 2008 when they narrowly approved the controversial project. However, a bit of foreshadowing did occur just days before that election when the city disclosed that the cost of the East Kapolei to Ala Moana system had increased to at least \$4.28 billion, compared with the \$3.7 billion price tag pitched two years earlier.

How is it that the cost has spiraled, exactly? Inexact explanations centered on a recent surge in the construction market. Rail leaders also cite contracts being issued too early, changes to the system's technology and design, and an 18-month delay caused by state and federal lawsuits. More candor likely will be appreciated by state lawmakers prepping for an Aug. 28 special session aimed at finding more rail revenue. Due to lack of faith in the project's in-flux figures, the Legislature denied approval of any sort of general excise tax extension during the regular session.

Krishniah Murthy, who now serves as HART's interim executive director, maintains that once passengers are riding the 20-mile line they'll likely be on board for expanding the transit system on both east and

west sides. If that's the case, it's a sure bet that more tax dollars will be tapped, which underscores the need to follow through with Felix's call to "clear up the past, see what went wrong with great specificity." Murthy has compared Honolulu to Los Angeles, where despite loud opposition from car-centric commuters, voters approved the start of a subway system in the early 1980s.

"Patience, perseverance and educating parties prevailed," he said, noting that in November voters there approved tax extensions for more line expansions and highway upgrades. Although HART's forensic audit was canceled, \$250,000 for "special audit services" was approved for inclusion in the semi-autonomous agency's 2018 fiscal year budget. It should be re-tagged for the special investigation.

The half-completed elevated rail line will play a prominent role in our city's future, and is expected to bring us much-needed relief from traffic congestion as well as effective transit-oriented development for many years to come. A transparent, comprehensive review of the project's troubled history is warranted.