



Hawaii News | Volcanic Ash

Management, not funding, of rail needs to be explored

By [David Shapiro](#), August 20, 2017

The Hawaii State Legislature hosted a public informational briefing this month on state funding for the City and Count of Honolulu's rail project in the State Capitol Auditorium.

State legislators are focused on the wrong question heading into their Aug. 28 special session on Oahu's \$10 billion runaway train.

It's not whether to use the excise tax or hotel room tax to cover rail's latest \$3 billion deficit, but whether it's responsible to write any further checks until the city fixes its awful management that's put us \$5 billion over budget and six years behind schedule.

It's reckless for legislators to consider more funding while complaining almost unanimously that they don't trust the numbers or recovery plans put forth by Mayor Kirk Caldwell and the Honolulu Authority for Rapid Transportation.

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This is especially so after HART cynically shelved a deep-dive audit that would have determined what went wrong and how to do better.

A limited audit that excludes fraud that's being considered by the City Council would take until late 2018; by then, rail could be another \$3 billion in the hole.

Lawmakers shouldn't be stampeded into blank-check spending by the Federal Transit Administration's artificial Sept. 15 deadline for a recovery plan.

The FTA hasn't clearly explained its position to legislators or the public, and it's foolhardy to take Caldwell's word; last week he backed off his claim that the FTA absolutely will pull its \$1.5 billion funding if we don't build elevated rail all the way to Ala Moana Center.

The FTA once urged the city to "think outside the box" and seemed OK with stopping at Aloha Tower to cut costs. A proposal by architects to go street-level from Middle Street also deserves a fair hearing.

And it's way past time for the city to say how it'll pay an estimated \$120 million in annual rail operating and maintenance costs.

This muddle cries for a pause and reset to regain our bearings and limit our downside before making new funding commitments that drain available resources from Hawaii's other priority needs.

Some lawmakers have said the city effectively made rail a state project by considering no options other than greater state tax support to address costs overruns.

If that's so, the Legislature should take command of the reset by appointing a panel of honest brokers to oversee a priority rail audit, negotiate with the FTA, vet the city's construction and operating costs, and evaluate alternatives.

The panel could report next session on the actual state of rail and the most realistic options going forward, enabling lawmakers to make funding decisions better informed.

Such due diligence needn't cause a significant project delay; the city has funding and contracts in place to build full-speed to Middle Street while the review takes place.

It's a hard vote to say "wait" to powerful unions and development interests that want rail their way, but legislators need to hitch up their big-kid britches and make this fiasco right.