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IN REPLY REFER TO:
HAR-EP 0947.19

March 1, 2019

The Honorable Elaine L. Chao
Secretary of Transportation
United States Department of Transportation
1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

Dear Secretary Chao:

Subject: FY2019 INFRA Grant Application for the Kapalama Container Terminal Project,
Honolulu Harbor, Island of Oahu

The Hawaii Department of Transportation, Harbors Division is requesting Infrastructure for Rebuilding America (INFRA) funds for the Kapalama Container Terminal Project, as part of an ongoing effort to modernize our commercial harbors system.

Due to Hawaii's geographic isolation in the middle of the Pacific Ocean, we are highly dependent on ocean surface transportation for our daily sustenance. Ocean transportation is our lifeline to the world, supporting every facet of the local economy. Roughly 98 percent of all goods imported to Hawaii are received and processed through its commercial harbors. This includes everything from food, to commercial goods, to automobiles, to construction materials and equipment, and others. Additionally, goods destined for the Pacific Territories and Federated States of Micronesia, areas within Indo-PACOM, are processed through the Hawaii Harbor System.

The Project will develop a new overseas container terminal needed to alleviate berth and yard congestion at the existing Sand Island Container Terminal and will accommodate the increase in cargo volumes projected to occur over the coming decades. Below are some of the Project's beneficial outcomes:

- It will significantly expand Honolulu Harbor's cargo capacity, a 33 percent increase above existing, which will support regional economic vitality.
- It will provide an overseas cargo terminal adjacent to the Interisland Cargo Terminal, supporting and improving service to the neighbor islands.
- It will decrease truck traffic and increase safety along public roadways adjacent to the Sand Island Container Terminal and future Kapalama Container Terminal.

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- It provides new infrastructure and increases the reliability of the surface transportation system and resiliency of Honolulu Harbor.

This important Project is fully supported by the Hawaii Harbors User Group, as well as many others in the community. Enclosed are letters of support.

As the Director of the Hawaii Department of Transportation, I thank you for your careful consideration of our application and look forward to receiving your favorable decision.

Sincerely,

A handwritten signature in black ink, appearing to read "Jade T. Butay". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

JADE T. BUTAY
Director of Transportation

Enclosure: Support Letters