DAVID Y. IGE
GOVERNOR

FORD N. FUCHIGAMI
DIRECTOR

Deputy Directors
JADE T. BUTAY
ROSS M. HIGASHI
EDWIN H. SNIFFEN
DARRELL T. YOUNG

IN REPLY REFER TO:

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

December 31, 2015

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki,
Speaker and Members of the House of
Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Souki and Members of the Legislature:

For your information and consideration, I am transmitting the 2014 copy of the Government Operations Report; In accordance with Act 100(99), I am also informing you that the report may be viewed electronically at:
http://hidot.hawaii.gov/library/reports/reports-to-the-legislature/

Sincerely,

FORD N. FUCHIGAMI
Director of Transportation

CC: Legislative Reference Bureau

REPORT TO THE TWENTY EIGHTH LEGISLATURE

OF

THE STATE OF HAWAII

REGULAR SESSION OF 2015

ON
ACT 100
SECTION 7
SESSION LAWS OF HAWAII 1999

SUBJECT: RELATING TO GOVERNMENT OPERATIONS

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
DECEMBER 2014

A. DEPARTMENT OF TRANSPORTATION

Statement of Goals

The overall goal of the Department of Transportation is to facilitate the rapid, safe, and economical movement of people, goods, and mail into, within, and out of the State by providing and operating transportation facilities and supporting services.

Objectives and Policies

In order to achieve its overall goal, the Department of Transportation currently has three Divisions, Airports, Harbors and Highways that provide, operate, and maintain eleven (11) commercial service airports, four (4) general aviation airports, ten (10) commercial harbors, and more than nine hundred forty five (945) center lane miles of highway.

To help move the Department toward its goal the Divisions will implement policies and projects relating to the following objectives.

1. Create and manage an integrated multi-modal transportation system that provides mobility and accessibility for people and goods.
2. Enhance the safety of the transportation system.
3. Ensure the secure operation and use of the transportation system.
4. Protect Hawaii's unique environment and quality of life and mitigate any negative impacts.
5. Ensure that the transportation facility systems support Hawaii's economy and future growth objectives.
6. Support the State's energy goal of 70% clean energy, which includes 40% produced by renewable energy and 30% increase in energy efficiency, enhancing the reliability and security of clean energy sources.
7. Create secure, flexible, and sustainable revenues and funding sources for transportation needs.
8. Provide effective leadership department wide, focusing on accountability, ethics, training, and transparency.

Action Plan and Timetable to Implement Objectives and Policies in One, Two and Five Years

The Department of Transportation is responsible for the planning, designing, constructing, operating, and maintaining of

the state facilities in all modes of transportation including air, water, and land. Coordination with other state, county, and federal programs is maintained in order to achieve the overall objective.

Responsible planning and budgeting for air, water and land transportation systems is essential to meeting our objectives. Each capital improvement or special maintenance project is related to either improving our existing system, managing demand, or expanding the present system.

Process to Measure the Performance of Programs and Services in Meeting the Stated Goals, Objectives and Policies

The Multi-Year Program and Financial Plan (PFP) measures the Department's effectiveness by reporting on a number of effectiveness measures for each of the divisions. Performance is determined by comparing actual results with established goals on a fiscal year basis. Further, each project or initiative highlighted in this report is measured by the respective division for effectiveness by their own specific guidelines. While these measures may be used to measure our performance, our customers, the traveling public, grade us by their personal experiences.

B. Airports Division

The statewide airports system consists of eleven airports serving commercial airlines and four general aviation airports. The Airports Division's objective is to build for the future and promote Hawaii's airports as important gateways for its economic growth, by planning, designing, constructing, managing, and maintaining efficient cost-effective airport facilities and equipment based on evolving technology.

The Airports Division strives to provide a professionally managed, efficient, safe, and financially sound airport system by working in partnership with the airlines, concessionaires, governmental and regulatory agencies, lessees, businesses, and employees, members of the public and other stakeholders.

Recognizing that the State's airport system is only one of two methods to enter or exit the State, the statewide airports system is part of the State's critical economic infrastructure, enabling interstate and international commerce and travel through the flow of passengers, cargo, and mail between the

islands, as well as throughout the Pacific Basin and the continental U.S.

Statement of Goals

The Airports Division's goal is to develop, manage and promote a high quality cost-effective regional and global air transportation enterprise with the spirit of aloha for all.

In order to achieve its goals, the Airports Division has established the following objectives:

Objectives and Policies

1. **Mobility and Accessibility - Create and Manage an Integrated Multi-modal Transportation System that Provides Mobility and Accessibility for People and Goods**
   - **Preserve and maintain the existing air transportation systems, in good condition or better.**
   - **Ensure multi-modal connections for passengers.**
   - **Reduce congestion in the air transportation systems.**

   Honolulu International Airport (HNL) New Day Work Projects (NDWP) Mauka Concourse Program: Construction of a new Mauka Concourse which will provide additional gates to accommodate 5 wide body, 10 narrow body, or a combination of wide and narrow body aircraft.

   Timeline: October 2011 to June 2018
   Milestones: Year 1 - Complete EA
   Year 3 - Complete Design
   Year 7 - Complete Construction
   Measures used to gauge effectiveness - Design and construction on time within budget.

   Statewide Consolidated Car Rental Facilities: Construction of Consolidated Car Rental Facilities at HNL, Kahului Airport (OGG), and Lihue Airport (LIH) which will provide more efficient use of land and facilities. Projected Schedules as of reporting period - actual schedules dependent upon leases, funding, land acquisition.

   Milestones: Complete Design for HNL
   2013 HNL - traffic handling systems - upgraded elevators, added traffic signals
   2015 - Kahului - commence construction January, January May 2017

HNL Interim car rental facility construction started in Overseas Parking facility - completed 2016. Lihue- Negotiate land purchase
2016 - HNL- commence new facility construction, complete 2020.
2020 Possible start of Lihue facility

Measures used to gauge effectiveness - Design and construction on time within budget.

2. **Safety - Enhance the Safety of the Air Transportation System**
   - **Enhance the system and user safety and transportation facilities both motorized and non-motorized, with the use of proper equipment, technology, and physical hazard reduction; and implement priority safety projects for each mode.**
   - **Continuously conduct assessment, preparedness, and emergency response for natural disasters as part of all planning efforts.**

Public Access Defibrillation Program: The Airports Division implemented Hawaii's largest Public Access Defibrillation Program in FY 2007 by installing one hundred (100) Automated External Defibrillators (AEDs), at 10 airports, on six islands. Thousands of DOT-A employees and airport users had been trained in how to perform CPR and use an AED. At the end of the first 3-year contract the success of surviving a cardiac arrest within the airports had gone from a 0% survival rate to an 84% survival rate. DOT-A survival rates sparked state legislators to improve the state's Good Samaritan Law for no liability using an AED no matter where the AED is located. This law has sparked AED Programs across the state adding to more lives saved from community sudden cardiac arrest. In FY 2010, 25 additional AEDs were purchased to expand this life saving program to all statewide airports. We continue to maintain the equipment to ensure the reliability of the program and to provide continuous training of airport employees, as well as tenants at the airports.

Timeline (Continuous): CPR/AED Training, debriefing with AED users, program awareness, maintenance of equipment, and continued re-evaluation of program and outcomes.

Milestones: Year 1 - Additional AEDs installed and less than 500 people took advantage of the free CPR/AED "non-certification" classes. Survival rate

dropped to approximately 50% with no bystander CPR performed.
Year 2 - Re-establish "certified" CPR/AED training program for employees and airport users. Within the first 2 classes more than 100+ airport users attended classes. With more people attending hands-on training the hope is for more bystander CPR, greater confidence using AED, and greater survival rates.
Year 5 - Replace and upgrade existing AEDs due to manufacturer discontinuing device, more training, and program awareness.
Measures used to gauge effectiveness - Continuous personnel training throughout the HDOT-A system. American Heart Association reviews data for safe victim save rate compared to the National average outside of 5% for out-of-hospital cardiac arrest.

Mass Casualty Plan: In the event of a possible disaster leading to mass casualties, the Airports Division purchased Emergency Trailers for Hilo International Airport, Kona International Airport at Keahole, Kalaeloa and Honolulu International Airport. A 50-bed Portable Hospital, complete with a training package for Honolulu International Airport Category X airport, was also purchased.

Timeline: Continuous
Measures used to gauge effectiveness - Continuous personnel training, annual exercises, and validation by FAA Triennial Exercise.

Statewide Incident Command System: Incident Command System Training provided in this first year of a three year project is required for all responders. The project has trained over 1000 airport personnel, mutual aid organizations, non-governmental organizations, and private airport partners to specified Incident Command System levels as outlined for the State of Hawaii Department of Transportation airports via Homeland Security Presidential Declaration #5. NIMS (National Incident Management System) core curriculum developed and delivered by DHS and FEMA has been provided at all levels for the airports by qualified instructors. A comprehensive tracking system is established to help DOT-A track all training. FAA recently required this information as part of their effort to ensure that all airports nationwide have implemented the ICS training. The recurrent training and exercises also provided in this project are critical to effective use of ICS. Airports have traditionally not suffered from large scale disasters and

one of the only real means of staying prepared is through the training and exercises provided in this project.

Timeline: Continuous

Measures used to gauge effectiveness - Continuous personnel training, development of airport emergency plans and quarterly table top exercises.

Homeland Security Exercise and Evaluation Program: HSEEP (Homeland Security Exercise and Evaluation Program) has been institutionalized as a means for registering, developing, implementing, and evaluating all required DOT-A and FAA exercises. This system is also tied to a national database/calendar (NEXS) that tracks all training and exercises via Hawaii State Civil Defense. The HSEEP process includes initial, interim, and final planning conferences along with master exercise scenario lists, formal exercise evaluation guides, and reporting tied to national capabilities priorities. Formal after action conferences and detailed improvement plans have been provided for four airports this fiscal year as they conducted FAA required triennial and other preparedness exercises.

Timeline: Continuous

Measures used to gauge effectiveness - Continuous personnel training and evaluation by FAA and Civil Defense.

Airport Emergency Plan: Airport Emergency Plans (AEPs) are required to be fully rewritten in order to meet the FAA guidance to include NIMS and ICS components. The 250 plus page guidance issued by the FAA has provided excellent guidance for DOT-A. This project includes full revisions of all AEPs that were due in June. The HSEEP model was also codified in these new rewrites as the standard for conducting all future training and exercises for the airports. Revisions to living documents such as plans are ongoing as DOT-A works to practice what is written in their emergency plans in order to validate the currency and reliability of each AEP. Only through drills, training, and exercises can this process be tested and revised as DOT-A works daily to be highly organized and prepared for incidents of all types and magnitudes.

Timeline: Continuous

Measures used to gauge effectiveness - Continuous personnel training, plan updates and triennial exercise evaluation by FAA.

Wildlife Hazard Assessment Plan: The U.S. Department of Agriculture Animal and Plant Health Inspection Service Wildlife Services major objective is to reduce wildlife strikes at all State of Hawaii airports. To meet this goal APHIS-WS assists airport operators by conducting a Wildlife Assessment Study and developing/implementing a Wildlife Management Plan. APHIS-WS also controls nuisance wildlife airports properties to protect human health, safety and property. These services are provided seven (7) days per week, including federal holidays. The methods include, but not limited to, wildlife population monitoring, habitat evaluation and modifications, shooting, trapping and hazing using pyrotechnics, propane cannons, electronic audio devices, visual scare devices, and trained dogs.

Timeline: Continuous

Measures used to gauge effectiveness - Continuous personnel training, daily monitoring and evaluation by USDA field inspectors

Emergency Communications Enhancement Plan: DOT-A maintains a satellite-based emergency communications capability. The current system uses the MSAT/Skyterra communications satellite and Mitsubishi satellite telephones located at Division, Oahu District, Kauai District, Maui District, Kalaupapa Airport, Kona District, and Hilo Airport. These sets are no longer produced and the company that provided maintenance for them no longer provides that service. Thus a newer, current and more robust system must be purchased to replace the aging sets. An Iridium-based system is deemed the most cost-effective replacement. Several state airports have no satellite communications capability: Molokai, Lanai, Kamuela, Hana, Dillingham, Kalaeloa, and Port Allen. The plan is to replace the existing sets at the Districts and Division and send the older sets that are still functional to airports that have no satellite communications as an interim measure until additional newer sets can be purchased.

Timeline: Year 1 -2013 Approvals for budget and sole source purchase received, project mobilized Purchased 7 Iridium satellite phone sets, including installation. On Schedule.

Year 2 -2014 Purchase additional 5 sets for Molokai, Lanai, Kamuela, Hana, and Kalaeloa

Measure used to gauge effectiveness: Performance will be measured continually through periodic communications tests with each location.

Nene Goose Relocation Plan: The increasing Ne'ne' goose population at the Kauai Lagoons Resort (KLR) is posing a very serious threat to aviation safety at the Lihue Airport. This state bird is an endangered species and are protected by federal laws, therefore, at FAA's recommendation, the Airports and DLNR have developed a five (5) year plan to "translocate" the flock of Ne'ne' from the KLR to other locations to mitigate the hazard they present to Lihue Airport.

Timeline: Federal Fiscal Year 2012 to 2017

Milestones: Year 1 - Phase I - Plan to capture and translocate 10 - 20 pairs of pre-breeding Ne'ne' geese to Piihonua, Hawaii and Kahikinui, Maui. Phase 2 - Move all remaining Ne'ne's; approximately 70-90 breeding pairs.

Year 2 - 2013 Capture and translocate remaining Ne'ne's

The program in reducing the population is on schedule. The strategy seems to be working for now. Concerns include return migrations and the relocated population becoming a problem themselves.

Year 3-5 - Monitor and translocate any Ne'ne's that may have been missed or that have migrated back to KLR.

Measures used to gauge effectiveness - The number of Ne'ne's spotted at KLR or near the airport terminal.

Airport Rescue Fire Fighting (ARFF) Training Facility: This project will construct a regional ARFF training facility which will be used by the ARFF personnel statewide to consolidate training into one facility for cost savings and efficiency. The facility will also be made available for other agencies throughout Hawaii and the Pacific on a fee basis.

Timeline (Continuous):

Measures used to gauge effectiveness - Continuous personnel training, field evaluation by FAA Certification Inspector.

Safety Management System (SMS): The SMS is an FAA mandated program to improve aviation safety through incident discovery, reporting, resolution, study, logging, and development of new procedures to avoid further occurrences.

Timeline (Continuous):

Milestones: Year 1 - Study FAA requirements, design system structure, develop job descriptions, include in budget, Year 2 - hiring, training, Year 5- completion
Measures used to gauge effectiveness - Airport Operators continuous monitoring of airfield FAR 139 regulatory requirements, personnel training and document federal directive pending congress approval

Automated Weather Reporting System for Kalaupapa Airport: Kalaupapa is the state's most isolated community and the most dependent on its airport for basic needs. The FAA recently implemented instrument approach and departure procedures to enable aircraft to use the airfield during poor weather conditions. However, commercial aircraft must have approved current weather information in order to use the instrument procedures and none is currently available at Kalaupapa. DOT-A plans to purchase and install an Automated Weather Observation System (AWOS) which will provide current critical weather information to all pilots in the vicinity and permit commercial cargo and passenger to fully serve the Kalaupapa community.

Timeline: FY 2013

Although the importance of the system is high priority,

progress has been curtailed by the lack of budgeted funds. Alternatives such as FAA funding have been pursued but is not currently available due to the light traffic. Efforts will continue until a funding plan can be found.

Measure used to gauge effectiveness: Continuous availability of automated weather information.

National Incident Management System (NIMS) Carding Program: Resource tracking under NIMS, NFPA, HIOSH, and FAA outlines DOTA's responsibilities requiring a standardized integrated process conducted throughout the life cycle of an incident by all agencies at all levels. A new accountability carding system with credentialing capability is being introduced that provides incident managers with a clear picture of where resources are located, helps staff prepare to receive resources, and helps protect the security and safety of all responder personnel. Carding has commenced at five DOTA airports with over 1500 personnel carded at this time. Carding is on track to continue through 2011 and 2012 with implementation of the system statewide for all airports to be determined in 2012. The system provides for expanded check-in required under NIMS. All agencies regardless of affiliation must report and receive an assignment in

accordance with procedures outlined in NIMS ICS. This system helps in that process and preserves site security. The potential for very large catastrophic events exist at all of Hawaii's airports which will require an unprecedented mutual aid of most immediate response organizations, this system is designed and being implemented to deal with such events. At present, Federally mandated training is provided by consultant. One objective is to the training in-house in a new facility to be constructed in Kona

Timeline: 2014 - Training provided by consultant
2014 - 2018 Planning, construction, staffing of new training facility in Kona

Measures used to gauge effectiveness - HDOT-A provides continuous personnel training at all airports with evaluations by Civil Defense and FAA Certification Inspectors. Project dates and budgets as planned.

3. **Security - Ensure the secure operation and use of the Air Transportation System.**
   - **Minimize risks of disruption of transportation to, from, and within Hawaii due to terrorism and other human security threats and events, as well as threats and events from natural disasters.**
   - **Work with Federal, State, and County agencies as well as tenants to conduct vulnerability and risk assessments.**
   - **Implement security policies and strategies to minimize risks and threats of disruption of or damage to the transportation systems while maintaining the intended function of the system.**
   - **Provide continuous monitoring of critical infrastructure and communications systems to provide for appropriate emergency response capability.**

Statewide Interoperable Radio Communication Plan: We continue to test our Statewide Interoperable Radio Communication Plan which includes purchasing and upgrading our 800 MHz land mobile radio system, establishing channels and talk groups, and drafting an operational readiness strategy plan

Timeline (Continuous):

Measures used to gauge effectiveness - Completion of a statewide radio communications systems upgrade to meet narrow banding deadlines and interoperability requirements throughout DOT-A. Continuous personnel training, equipment maintenance and validation by exercise task evaluation by Civil Defense.

Statewide Access Controls and CCTV Improvements: Upgrade the Access Controls and CCTV Systems at HNL, OGG, LIH, Hilo International Airport (ITO), and Kona International Airport at Keahole (KOA).

Timeline (Continuous):

Milestones: Year 1 - Complete Construction for HNL Year 2 - 2014 Complete Construction for OGG and LIH, HNL, OGG and LIH CCTV complete. Year 3 - 2014 HNL and OGG Access Controls scheduled to cut over.KOA and ITO Access Controls and CCTV to bid in summer.

Measures used to gauge effectiveness - Construction on time within budget.

HNL Explosive Detection System (EDS) Phase II: Construction of an inline EDS for the Overseas Terminal which will remove the EDS equipment from the ticket lobbies and place them inline in the baggage conveyor systems. This will make security screening of checked baggage quicker and more efficient.

Timeline (Continuous):

Milestones:

Year 2- Complete Construction

Phase 1 and 2 Complete, final phase for remaining ticket lobby work being planned

Measures used to gauge effectiveness - Construction on time within budget.

4. **Environment and Quality of Life - Protect Hawaii's unique environment and quality of life and mitigate any negative impacts, and Energy - Support the State's energy goal of 70% clean energy, which includes 40% produced by renewable energy and 30% increase in energy efficiency, enhancing the reliability and security of clean energy sources.**
   - **Support the national goal to reduce transportation-related greenhouse gas, (GHG) emissions and reliance on foreign oil.**
   - **Actively pursue actions in transpiration which help to achieve the State clean Energy Goal of 40% renewable energy by 2030.**
   - **Identify ways to increase energy efficiency by 30% at transportation facilities.**
   - **Use opportunities where and when practicable and available, to use alternative resources to supply power to create electricity for transportation facilities.**

See no. 6

5. **Economy and Growth - Ensure that the air transportation facility systems support Hawaii's economy and future growth objectives.**
   - **Identify sector needs, current and projected, as they relate to the movement of people and goods.**

Centralization of Personnel Offices and Personnel Programs. The Airports Division is a specially funded entity that operates entirely on the revenues that it generates through airlines, tenants, and concessionaires that do business on its premises, as well as Federal grants, and does not depend upon the state's general fund for its operating needs. In past years, hiring has been frozen and vacant jobs have been abolished even though this would have little or no effect on the condition of the general fund. During the past legislative session, we were the recipients of 52 new positions for OGG, HNL, KOA, and Administration to provide the level of service that tenants and the flying public pay for, and have a right to expect. In addition, these new positions will allow us to complete repairs and maintain our facilities, as well as to provide support to our Property Management and Business Development program and administrative support to the airports..

Timeline (Continuous):

Milestones: Year 1 - 2014 - Centralization of Personnel Offices and Personnel Program..

On October 20, 2014, we have received written approval from the Governor to conduct a pilot project relating to the centralization of personnel offices and personnel programs of the Department of Transportation under Hawaii Revised Statue 78-3.5 ("Experimental Modernization Projects") with no anticipated cost. The objective of this pilot project is to determine if the centralization will result in improved effectiveness and efficiency of DOT's personnel system, to include the filling of vacant positions. During the first year we will work with the Departmental Personnel Officer and the Divisions to identify the processes, personnel, and location to implement the centralization. .

Year 2 - Implement the centralization of personnel offices and personnel programs.

Year 3 - Evaluate the results of the centralization and make recommendation(s) to the Director of the Department of Transportation and Director of the Department of Human Resources Development.

6. **Support the State's energy goal of 70% clean energy, which includes 40% produced by renewable energy and 30% increase in energy efficiency, enhancing the reliability and security of clean energy sources.**

Installation of Renewable Energy Systems: Procure power purchase agreements for photovoltaic systems at Statewide Airports

Timeline (Continuous):
Milestones: Year 1 - Phase I installation complete June 2009
Year 2 - Phase 2 installation complete June 2013
Phase III cancelled due to new temporary administrative rules by TAX which took effect 1/1/13
Measures used to gauge effectiveness - Installation on time.

Energy Savings Performance Contract: Procure Energy Savings Performance Contracts where outside vendors install energy efficient equipment in State Facilities and are reimbursed through the savings in energy payments.

Timeline (Continuous):
Milestones: Year 1- Complete Procurement (Dec 2013)
Year 2- Complete Construction (Dec 2015)
Measures used to gauge effectiveness - savings of as much as 49% of current kilowatt usage.

7. **Funding - Create secure, flexible, and sustainable revenues and funding sources to sustain the State wide airport system (Enterprise).**
   - **Develop a framework for long-range financial forecasting; and within this framework distinguish between system preservation, capacity enhancement, and modernization needs that are funded from user-financing.**
   - **Identify sources and develop and secure funding for the sustainable delivery, maintenance, operation, rehabilitation, replacement, and expansion of the state transportation systems.**
   - **Ensure funding for the safety and security of the state transportation systems**

   a. Maximize the use of Federal programs and funding for needed transportation infrastructure; use Federal non-recurring initiatives and funding sources such as American Recovery and Reinvestment Act (ARRA) and report on project and program achievements.

b. Study the reliability and viability of future transportation financing streams and funding and consider scenarios for innovative and non-traditional financing.
c. Achieve project readiness in support of new funding sources as they come available; and report on achievements of project completion.
d. Review outstanding bond issues and refund (refinance) if it is cost beneficial.
e. Review potential areas to increase revenue from current and prospective customers, tenants and stakeholders.

Timeline (continuous):
Milestones: Year 1 -2 Confer with rating agencies and bond issuers, to maximize borrowing.

Enhance the efficiency and effectiveness of Airports Division through the administrative services provided by the Staff Services Office: Proactively ensure that the Staff Services Office provides efficient, effective, continuous, consistent, and timely administrative support services and guidance through its Property and Business Development Office, Personnel Management; Budget; Methods, Standards & Evaluation; and Financial Management staffs to all 15 airports and to its 1,024 employees. These activities contribute to maximizing the generation of a sustainable revenue stream, controlling costs, and introducing improved procedures, and management techniques.

Create and maintain an inventory of all terminal and non terminal properties in Propworks database: Insure adequate staffing for property management functions throughout the division, in order to maximize revenue generation.

Timeline (Continuous):
Milestones: Year 1 - January 2012-acquire the services of a consultant firm to conduct an on-site inspection and survey of all terminal and non-terminal spaces at all airports. The results of the inspection/survey will provide the Airports Division with accurate and updated information as to condition of the space, the activities being conducted from the space, determine if unauthorized alterations or modifications have been made, determine if utility costs are accurately being billed, and overall determine if provisions of the Revocable Permit or Lease Agreements are being followed. The consultant

firm will populate the results of their inspection/survey into Propworks.

Year 2 - January 2013 The Airports Division along with the appropriate District personnel will determine if existing RP's should be converted into lease agreements, terminated or allow the existing tenant to remain under an RP. The key criteria for this determination will be whatever is in the best interest of the State of Hawaii and consistent with Federal Aviation Administration policies. AIR-PM staff will conduct a review to ensure payments are being made by tenants in accordance with their agreements.

All spaces have been put into the database, and are now being updated with more current or detailed information.

Year 3 - January 2014- District staff will conduct unannounced inspections of terminal and non-terminal spaces to ensure tenant compliance with agreements; AIR-PM staff will coordinate with District staff to ensure accuracy of the data base; AIR-AF will monitor their data base to ensure accuracy of payments and late charges. On-going. In addition, the U.S. Department of Transportation, Federal Aviation Administration conducted an Revenue Use Compliance Audit of the Airports Division's programs, including but not limited to Property Management and Business Development. We are in the process of responding to this audit.

Year 4 - January 2015- Conduct statewide appraisal of all properties to ensure fairness to tenants and ensure that rates and charges are current. The statewide appraisal was completed in 2013 and the new rates and charges have been imposed or will be imposed as Revocable Permits (RPs) are renewed or new RPs issued with an effective of January 23, 2014. AIR-PM has committed to conducting statewide appraisals every three years. Next statewide appraisal scheduled for 2016.

Year 5 - January 2016- Start on-site inspection and survey of all terminal and non-terminal spaces to update data base. Ongoing.

Measures used to gauge effectiveness - All available spaces are being leased at the prevailing rates; payments are being made in a timely manner; tenants

are in compliance with all terms of their agreement and revenue increases year to year.

Complete a concession agreement for on demand taxi management for all islands: We have provided AMPCO with their agreement for on demand taxi management at HNL and are waiting for them to execute the agreement.

Timeline (Continuous):

Milestones: Year 1 - January 2013 AIR-PM staff will solicit information from districts regarding number of taxi rides from each of the listed airports. This data is essential to frame each concession agreement appropriately for each airport.

Once information is acquired, outline of the concession function will be developed and agreements drafted. Agreements will either be directly negotiated or offered through a public process.

Progress to date: a preliminary analysis by a concessionaire indicates that traffic at Lihue and Hilo is inadequate to support a concessionaire business. Solicitations are being prepared for Kona and Maui. Update: Taxi manager from HNL visited LIH to review taxi operation. Taxi manager's opinion is there is not enough taxi business at LIH to support an independent taxi manager. Given that LIH has more traffic than KOA it is likely that an independent taxi manager will not be feasible.

Year 2 - January 2014 - Districts will monitor the management firm to determine if they are in compliance with the terms of their agreements. Districts will use customer surveys, on-site observations, and unannounced audits as are gauge to determine compliance.

Measures used to gauge effectiveness - Minimal complaints, efficient and timely service.

Convert the Revocable Permits for parking into a concession agreement for the neighbor island airports similar to that at HNL.

Timeline (Continuous):

Milestones: Year 1 - January 2012 - AIR-PM will draft and execute individual concession agreements for

parking management for all islands. The agreements will include the provision, if applicable, for charging stations in accordance with the law.
Year 2 - January 2013 - Districts will monitor the management firm to determine if they are in compliance with the terms of their agreements. Districts will use customer surveys, on-site observations, and unannounced audits as are gauge to determine compliance. Progress: Maui completed, a draft for Kona is being reviewed by the AG, a contract for Hilo is being worked on, Lihue is under contract.
Year 3 - January 2014 - Districts will monitor the management firm to determine if they are in compliance with the terms of their agreements. Districts will use customer surveys, on-site observations, and unannounced audits to determine and encourage compliance.
Year 4 - January 2015 - Districts will monitor the management firm to determine if they are in compliance with the terms of their agreements. Districts will use customer surveys, on-site observations, and unannounced audits as are gauge to determine compliance.
Year 5 - January 2016 - Districts will monitor the management firm to determine if they are in compliance with the terms of their agreements. Districts will use customer surveys, on-site observations, and unannounced audits as are gauge to determine compliance.
Measures used to gauge effectiveness - Minimal complaints, efficient and timely service, and maximum revenues for the State.

Establish an RFP for advertisement at all airports:
Timeline (Continuous):

Milestones: Year 1 - On August 31, 2011, a written request was sent to the Department of the Attorney General, Land and Transportation Division requesting their legal assistance in determining if a fee structure can be established for the brochures and pamphlets being displayed at holders (racks) at seven (7) Hawaii airports from the various publishing companies.

While the initial intention of the DOT was to include this function under a general display advertising concession, it was decided the two functions are

significantly different and combining the two would impair the concessionaire's ability to maximize revenues to the concession.
Year 2 - January 2012 - Development started on concession agreement.
Year 3 - 2013 - Completed agreements and bid documents. Districts will monitor the concession firm to determine if they are in compliance with the terms of their agreements.
Year 4 - January 2014 - concession award process completed, and start of concession. The Airports Division under Act 141, Session Laws of Hawaii 2014, is in the process of Requesting Information from responsible and qualified vendors to submit their proposal for a statewide Advertizing Concession Agreement. Update: Administration has decided to use an RFP process to award this concession agreement. It is anticipated the award will take place mid 2015.
Year 5 - January 2015 - Districts will monitor the concession firm to determine if they are in compliance with the terms of their agreements.
Measures used to gauge effectiveness - Amount of advertising in space initially offered for the concession, requests for additional space, and increased revenues for the State.

Establish a computerized contract management program: This will determine the status of each and every agreement and lease to ensure proper increase in rent, percentage rents, extensions, and payments are being made in a timely manner.

Timeline (Continuous):

- January 2012 meet with the Airport Information Technology, Financial Management, and District Staff to establish baseline for requirements to ensure "best practices" for contract management. Have AIR-I develop a compatible and interoperable data base to meet our needs. Note: that the information acquired thorough Propworks will be used to establish some of the fields in this database.

Year 2 - January 2013 - Monitor and improve on the database.
System completed and running.
Year 3 - January 2014 - Monitor and improve on the database.
Year 4 - January 2015 - Monitor and improve on the database.

Year 5 - January 2016 - Monitor and improve on the database.

Measures used to gauge effectiveness - Minimal complaints, efficient and timely service, and maximum revenues for the State**Measures used to gauge effectiveness** - Minimal complaints, efficient and timely service, and maximum revenues for the State.

Cease the current practice of the use of Billing by Memorandum (BBM): We have 36 BBM tenants in our system, which allows them to occupy our space while they provide written documentation of credit worthiness and insurability. The airlines account for 12 of these BBM and these BBMs have been in place for between 6 and 17 years, which creates a liability for the State. We will cease this practice and ensure that all current tenants on a BBM are issued notices to execute leases.

Timeline (Continuous):

Milestones: Year 1 - On September 9, 2011, the Airports Division issued a memorandum to all Districts effectively minimizing the practice of issuing a preoccupy and Bill by Memorandum (BBM) as a means to have a tenant occupy space. The BBM does not provide the State of Hawaii with adequate means of protection against liability and is used as a means to receive payment for rented space.

Year 2 - January 2012 - all efforts will be made to either terminate or convert the current 36 BBMs into a lease agreements. We will also monitor the issuance of any new BBM's to ensure that circumstances necessitated their use.

Year 3 - January 2013 - Monitor and ensure that all BBMs are converted into leases or terminated. Significant progress has been made. Remainder of conversions scheduled for 2014.

Year 4 - January 2014 - Monitor and ensure that all BBMs are converted into leases or terminated

The BBM's with the airlines could not be resolved until agreement was reached on environmental language. As that has now been completed, the BBM's will be converted to Recovable Permits.

New Revocable Permits will be issued to the Honolulu car rental companies as part of their temporary move into the Overseas Parking Structure (expected in January 2015). Once the new consolidated rental car facility is complete, new concession agreements will take effect.

Year 5 - January 2015 - Monitor and ensure that all BBMs are converted into leases or terminated
Measures used to gauge effectiveness - Reducing the number of existing BBM's and minimizing the issuance of BBM's to reduce the liability to the State and ensure long term lease of spaces..

Review, identify and amend all HAR and HRS either adversely impacting or prohibiting our ability to generate or maximize revenues: Conversely, those provisions in the HAR and HRS that promote our ability to generate revenues will be reviewed to meet the changing economic times of the State of Hawaii.

Timeline (Continuous):
Milestones: Year 1 & 2 - Introduce legislation
Measures used to gauge effectiveness - Number of areas discovered in which additional revenues can be generated

Ensure that the current Non-Signatory rates are consistent with the First Lease Amendment of 2008: This initiative is to ensure that the Airports Division meets its obligation to the First Lease Amendment that all Non-Signatory rates must be 125% above the Signatory rates. The impact of not meeting this critical obligation could result in Signatory carriers electing to become Non-Signatory carriers which could affect the Airports' bond rating.

Timeline (Continuous):
Milestones: Year 1 - September 2011, in accordance with Hawaii Revised Statutes 261-7(e), Public Informational Hearings were held for the proposed new Airports Division Procedure entitled: **Proposed Non-signatory Landing Fees and Passenger Terminal Rental Rates and Charges** to notify the public of our efforts to increase the rates and charges for the non-signatory carriers to be consistent with the First Amended Lease Extension Agreement signed in October, 2007, and became effective on January 1, 2008.

Public Hearings were held on September 26 in Hilo; September 27 in Lihue; September 28 in Honolulu; September 29 in Kona; and September 30 in Kahului. Two members of the public attended the Hilo meeting, zero attended the Lihue meeting, three attended the Honolulu meeting, one attended the Kona meeting and two attended the Kahului meeting. At all meetings

attended by the public, questions were raised about the subject matter and issues discussed.
A court reporter was present at each of the meetings and the transcript will be published on the DOTA web site. The DOT-A will also accept comments after the transcripts are posted.

In order to ensure that the DOT-A was able to address all issues raised both at the meetings and potential subsequent to the posting of the transcripts, the effective date for increase is December 1, 2011.
Year 2-3 - January 2012 - 2013 The Airports Division increased the rates for the non-signatory commercials carriers at 125% of the FY 2012 signatory rates effective on January 1, 2012 pursuant to HRS 261-7(e) and prior to the effective date of the increase a report was submitted to the 26th Legislature, 2012 to include updating our pubic website with the new rate increases Additionally, the DOT-A is developing a lease agreement, similar to the agreement with the Signatory Carriers for the non-signatory carriers to reflect the rate changes and other important factors.
Year 4 - January 2014 - Monitor and ensure that all rates and charges are consistent with all agreements.
Year 5 - January 2015 - Monitor and ensure that all rates and charges are consistent with all agreements.
Measures used to gauge effectiveness - The modification or "right sizing" of the rates will ensure that all signatory air carriers will remain as signatory carriers and will not convert to non-signatory carriers. Conversely, non-signatory carriers will pay the higher rate and charges but their operations will be commensurate to these charges. Should their operations expand they (non-signatory carriers) will have the ability to convert to signatory carriers.

Review existing personnel policies and procedures and amend them to ensure that "best practices" are in place to support the "Enterprise".

Timeline (Continuous):

Milestones: Year 1 - January 2012 - begin the process of reviewing existing policies, procedures, rules, regulations and practices of personnel and establish a Working Group comprised of District staff, Division staff and Department staff to comprehensively identify, modify, and establish policies to be

consistent with the workforce and to support their duties and responsibilities to ensure productivity and commensurate compensation. Ongoing.
Year 2 - January 2013 The Working Group will monitor each new policy to ensure that its intended objective and purpose is being met. Ongoing.
This initiative has been placed on hold as AIR-AP is short staff by two (2) Personnel Management Specialists (Recruitment & Classification and Labor Relations)necessitating a focus on transactions and recruitment. This initiative will be rescheduled when the two vacancies are filled and the operations are normalized.
Year 3 - January 2014 - On October 20, 2014, we have received written approval from the Governor to conduct a pilot project relating to the centralization of personnel offices and personnel programs of the Department of Transportation under Hawaii Revised Statue 78-3.5 ("Experimental Modernization Projects") with no anticipated cost. The objective of this pilot project is to determine if the centralization will result in improved effectiveness and efficiency of DOT's personnel system, to include the filling of vacant positions. During the first year we will work with the Departmental Personnel Officer and the Divisions to identify the processes, personnel, and location to implement the centralization.
Year 4 - January 2015 - The Working Group will monitor each the pilot program to ensure that its intended objective and purpose is being met.
Measures used to gauge effectiveness - Various indicators (sick leave, tardiness, productivity, complainants, investigations, audits, interviews) will be monitored to determine effectiveness of each policy.

Develop a formulaic approach to justify and ensure the addition of positions, equipment, staff hours, and related costs in concert with the design and completion of new or expanded facilities, such that they are maintained at proper levels. (i.e., X amount of Janitor positions for Y amount of new square footage of floor space)

Timeline (Continuous):

Milestones: Year 1 - January 2012-begin the process of developing a method or business plan to ensure that for every newly constructed space or existing space being expanded a formula will be used to establish a

ratio of space to positions to ensure that all services are being performed. Ongoing
Year 2 - January 2013 Evaluate the effectiveness of the formula and conduct an analysis of the cost benefits of establishing new positions.
This initiative has been placed on hold until staff vacancies in AIR-AP are filled.
Year 3 - January 2014 - On October 20, 2014, we have received written approval from the Governor to conduct a pilot project relating to the centralization of personnel offices and personnel programs of the Department of Transportation under Hawaii Revised Statue 78-3.5 ("Experimental Modernization Projects") with no anticipated cost. The objective of this pilot project is to determine if the centralization will result in improved effectiveness and efficiency of DOT's personnel system, to include the filling of vacant positions. During the first year we will work with the Departmental Personnel Officer and the Divisions to identify the processes, personnel, and location to implement the centralization.
Year 4 - January 2015 - Continue to evaluate and make Recommendation(s) to the pilot project.
Measures used to gauge effectiveness - Conduct cost benefit analysis

Audits: Increase the use of unannounced audits and inspections of contracts, cash and financial instruments on hand, documents, equipment, and facilities to prevent theft and ensure maximum utilization. Increase audits of tenants, contractors, and concessionaires to assure that gross revenues and reimbursable costs are accurately reported.

Timeline (Continuous):
Milestones: Year 1 - September 2011 - AIR-AF has conducted unannounced audits of the petty cash funds at all airports and have reported their findings as well as corrective measures. They have expanded their audits to other program areas (security contract, engineering contracts) and reported their findings and corrective measures. Audit on the security contract has been completed as well as other audits on Honolulu International Airport, Kona Airport at Keahole, and Kahului Airport.
Year 2 - January 2012 - Evaluate the effectiveness of their audit and monitor the corrective actions by the Districts. This is an ongoing effort and will expand to other program areas.

Year 3 - January 2013 - Ongoing - Evaluate the effectiveness of their audit and monitor the corrective actions by the Districts. This is an ongoing effort and will expand to other program areas. Audit results are noted, reported to appropriate management. The effectiveness of the audit is determined by management response, and is noted on follow-up audits.
Year 4 - January 2014
Evaluate the effectiveness of their audit and monitor the corrective actions by the Districts. This is an ongoing effort and will expand to other program areas. Audit results are noted, reported to appropriate management. The effectiveness of the audit is determined by management response, and is noted on follow-up audits.

Performed audit to determine if leased spaces are properly being billed on a per square foot basis according to Airport Division Procedures. Determined the proper rental rates based on the type of space.

An audit was performed to determine if electricity is properly being charged based on Kilowatt Hours and electricity rates. In addition, identified any potential unbilled leased spaces that required billing of electricity and/or air conditioning charges.

Currently auditing ground transportation permittees to determine whether their gross revenue has been properly reported to the DOTA.

A contract was audited to determine if payments to the contractor adhered to the rules of the contract agreement.

Year 5 - January 2015
Ongoing - Evaluate the effectiveness of their audit and monitor the corrective actions by the Districts. This is an ongoing effort and will expand to other program areas. Audit results are noted, reported to appropriate management. The effectiveness of the audit is determined by management response, and is noted on follow-up audits. Additional estimated revenue from proper billing and reporting also provides feedback for the effectiveness of an audit.

Measures used to gauge effectiveness - The results of the audits and monitoring of the corrective measures will reduce theft of funds, mishandling of purchases, encourage effective contract management, compliance with SPO regulations, and promote ethical behavior.

8. **Leadership - Provide effective leadership focusing on accountability, ethics, training, and transparency.**
   - **Increase the level of accountability of personnel both on and off the job.**
   - **Provide increased opportunities for training and sufficient equipment allowing personnel to be successful.**
   - **Implement policies that demonstrate commitment to transparency, ethics, and strict compliance with regulations, policies, and procedures.**

Update Engineering Project Development and Tracking (PDT) Procedures Library: The PDT Library contains electronic documentation of all the project implementation procedures and process for the Engineering Branch. An update for the new administration's policies and procedures will provide consistent deliverables from the Engineering Branch in line with the new administration's policies and procedures

Timeline (Continuous):
Milestones: Year 1 - Complete Update
Measures used to gauge effectiveness - Completion on time.

Development of Skire Project Management Application: The Skire Project Management Application is the Engineering Branch's tool for tracking, monitoring and archiving project processes, documents, records and financial information to provide accountability for project performance, funding and expenditures.

Timeline (Continuous):
Milestones: Year 1 2011 - Completed development of CIP module
Year 2 - 2014 Enhancement of CIP module and reporting completed
Skire acquired by Oracle and renamed Unifier
Year 3 2015 Complete development of O&M Module
Year 5 - 2016 Complete Development of Asset Management Module.
Measures used to gauge effectiveness - Development completed on time.

Refine and expand the use of the PAS and EMCP such that leadership traits and skills are recognized, utilized, and rewarded, and improvement goals are set.

Milestones: Year 1 - **2013** assess current usage and practice. Institute a program of performance planning, coaching, and evaluation. Develop a system of annual plans and goals. Develop system of goal development and tracking and implement in Staff Services, begin training.

Partially addressed through AIR-AP, in conjunction with PER conducting training seminars on PAS. The value of the PAS and EMCP is discussed during Strategic Planning meetings.

Year 2 - 2014 Provide coaching and monitor and guide implementation. Establish plan for the rest of the division.

Year 3 - Begin implementation to other districts and branches.

Measures used to gauge effectiveness - project elements on time, goals are established and tied to evaluations, overall effectiveness and teamwork increases.

Provide timely, proactive leadership coaching and training support to managers: Managers have a need for support to break the cycle of often chronic operational problems that they are subject to, due to certain situations that are beyond their experience or skill level. Provide coaching in leadership and management skills so that a new level of capability and accountability is attained.

Milestones-: Year 1 - Begin to establish standards of leadership within the division, beginning in Staff Services. Incorporate standards in PAS and EMCP. Make different types of coaching available to managers upon request. Leadership development modules have been completed within the strategic Plan under Objective 3A. The opportunity to share these tools has not presented itself.

Measures use to gauge effectiveness - increased productivity due to increased teamwork.

Development of a Strategic Plan for the Airports Division: A Strategic Plan will provide an attainable goals in meeting near term and long term objectives. The following are leadership aspects of the plan that are being introduced: All ongoing or not yet implemented.

a. Increase the level of accountability of personnel both on and off the job. (Accountability dashboard system was created for the Strategic Plan rollout)
b. Provide increased opportunities for training and sufficient equipment, sufficient staffing, and sufficient funding to support new facilities and to allow personnel to be successful.
c. Implement and update policies that demonstrate commitment to transparency, ethics, and strict compliance with regulations, policies, and procedures.
d. Promote open communication between management and rank and file employees.
e. Established Core Values. (Discussions held within various branches and districts)
f. Conduct regular meetings of the Executive Steering Group (all Airport District Managers and Branch Heads) to collective discuss issues and solutions and status of projects.
g. The Airport District Managers personally met with TSA Administrator John S. Pistole on an individual basis to discuss staffing issues and screening procedures at each airport.
h. The Airport District Managers met with the Hawaii Tourism Authority on projected international and national flights to each airport as well as establishing training curriculum for Airport personnel and tenants.
i. Conduct regular meetings with the local and regional Federal Aviation Administration representatives on compliance issues as well as Airport Improvement Program grant funding.
j. We have worked with the State's Ethics Commission to conduct mandatory Ethics Training for our personnel.
k. Airport District Managers, Branch Heads and personnel involved in personnel have completed the Department of Human Resources Development (DHRD) training on Developing a Selection Instrument.
l. We have elicited the assistance of Mr. Pono Shim, President and CEO of Enterprise Honolulu to assist us in providing "hands-on" presentations to our staff on "Aloha Defines Hawaii's Organization Culture".

m. We have prioritized the recruitment effort to fill the vacant position on all islands for Airport Fire Fighters (recruit level SR-15) and Airport Rescue Fire Fighters (SR-17 and above) to be in compliance with Federal Aviation Regulations, Part 139, as well as to reduce overtime.
n. Coordinating with U.S. Customs and Border Protection to establish a permanent Federal Inspection Section at Kona Airport at Keahole.
o. Continue the effort to ensure that all New Day Projects are on schedule and all Federal grant funds associated with these projects are expended in a timely manner.

p. Managing the establishment of the statewide of the Consolidated Rental Car Facilities (CONRAC).
Milestones-: Year 1 - Begin process by interviewing leadership to establish a baseline for the Strategic Plan. Identify attainable goals in the near term and long term towards the plan.
Year 2 - 2014 Implement the Plan and track the accomplishments.
Year 3 - 2015 Implement additional objectives.

C. HARBORS DIVISION

The Harbors Division operates and manages a statewide harbors system of ten (10) commercial harbors divided into four (4) districts. They are: Oahu District - Honolulu and Kalaeloa Barbers Point; Hawaii District - Hilo and Kawaihae; Maui District - Kahului and Hana on Maui, Kaunakakai on Molokai, and Kaumalapau on Lanai; and Kauai District - Nawiliwili and Port Allen. The commercial harbors provide for the movement of cargo, passenger and vessels between ports within the state and provide facilities and support services for loading, off-loading, and handling of cargo, passengers, and vessels.

Statement of Goals

The Harbors Division's goal is to provide for the expeditious, efficient, and safe movement of people and goods which may be delivered for shipment or discharged on the commercial docks, wharves and piers to ensure the economic security of the State; promote economic growth and sustain the quality of life within the State by:

1. Creating and managing an integrated multi-modal transportation system that provides mobility and accessibility for people and goods.
2. Enhancing the safety of the water transportation system.
3. Ensuring the secure operation and use of the water transportation system.
4. Protecting Hawaii's unique environment and quality of life and mitigate any negative impacts.
5. Ensuring that the water transportation facility systems support Hawaii's economy and future growth objectives.
6. Supporting the State's energy goal of 70% clean energy, which includes 40% produced by renewable energy and 30% increase in energy efficiency, enhancing the reliability and security of clean energy sources.
7. Creating secure, flexible, and sustainable revenues and funding sources for transportation needs.
8. Providing effective leadership division wide focusing on accountability, ethics, training, and transparency.

Objectives and Policies

In meeting the objectives over the next 5 years, the Harbors Division will plan, develop, and implement the following project to help achieve the following objectives:

1. **Mobility and Accessibility.**
   - **Preserve and maintain existing water transportation systems in good condition or better; give comparable consideration to funding preservation capital projects as is given to expansion projects.**
   - **Ensure the provision of essential and critical water transportation operation and services for all communities throughout the islands.**
   - **Reduce congestion in the water transportation systems.**
   - **Obtain federal funds for Harbors Infrastructure projects.**

Kalaeloa Barbers Point Harbor 2040 Master Plan, Oahu

Timeline:
Year 1 milestones: Develop a comprehensive scope of work for the 2040 Master Plan to provide strategic guidance for the future development of the harbor and

to address the increasing demand for available harbor lands for key petroleum products such as gasoline, jet fuel and distillates (e.g., diesel and residual oil) and bulk products.
Year 2 milestones: Work has begun on the 2040 Master Plan. Two meetings were held, one with the Kalaeloa Barbers Point Harbor users on July 18, 2013, and a public meeting on September 3, 2013 to seek agency and public input on issues or resources of concern. A third public meeting was held on October 13, 2014 to present the Master plan alternatives and address issues raised and to discuss future harbor demands.
Year 5 milestone: Complete the Master Plan document.
Measures used to gauge effectiveness - Complete the Master Plan and identify critical item(s) and designs necessary for implementation of the Master Plan as well as designate the planned uses for available lands.

Pier 4 Inter-Island Cargo Terminal, Hilo, Hawaii

Timeline:
Year 1 milestones: Construction is in progress for the Pier 4 Contain Yard facility and the design for the Kumau Street access road into Hilo Harbor. Generally, container exports are grounded while imports are wheeled. The overall total existing storage area for containers, chassis, break bulk, lumber and autos requires additional yard area to support the interisland cargo demand.
Year 2 milestones: Complete construction of the Pier 4 Container Yard and design for the Kumau Street access road.
Year 5 milestones: Advertise for the last phase for the Pier 4 Inter-Island Cargo Terminal by December 2014. Complete land acquisition along Kumau Street and all pavement, lighting, and utilities and pier structure for a fully functional container terminal facility. Complete all payments and close out the projects for the Pier 4 Inter-Island Car Terminal, Hilo, Hawaii.
Measures used to gauge effectiveness - Maximize use of land area at Hilo Pier 4 Container facility and improve functionality and use for cargo operations.

Pier 12 and 15, Improvements, Honolulu Harbor, Oahu

Timeline:
Year 1 milestones: Start design for Piers 12 and 15. These piers are critical for the relocation of emergency response vessels to be co-located in one area of Honolulu harbor.
Year 2 milestones: Obtain all regulatory permits and start construction for the new piers 12 and 15 at Honolulu harbor.
Year 5 milestones: Begin construction of Piers 12 and 15 pier, and utility improvements necessary to relocate the emergency response vessels from Pier 35 to Piers 12 and 15. Complete construction and close out the project for both Piers 12 and 15.
Measures used to gauge effectiveness - Construct two new piers to allow emergency response vessels to be in one area of Honolulu harbor. The Clean Islands Council and Marine Spill Response Center to be in-place and operational at Piers 12 and 15.

Building and Sitework Improvements at Pier 35, Honolulu Harbor, Oahu

Timeline:
Year 1 milestones: Start design for the renovation of the former Pier 35.
Year 2 milestones: Executed a Memorandum of Agreement with University of Hawaii, School of Ocean, Earth, Science and Technology's (SOEST) for a long term lease at Pier 35.
Year 5 and beyond milestones: Complete construction for the SOEST to allow relocation of SOEST to its new Pier 35 facility at Honolulu Harbor; execute lease agreement between Harbors and UH for the new Pier 35 facility.
Measures used to gauge effectiveness - Provide a facility at Pier 35 to accommodate SOEST's relocation from Snug Harbor. Execute the lease agreement. The facility at Pier 35 is operational and allows for Snug Harbor to be utilized for the proposed Kapalama Container Facility.

Statewide Joint DOT and DLNR Cruiseline Scheduling System; Other DOT Commercial Vessels

Timeline:
Year 1 milestones: Design and implement a web-based statewide scheduling system for access by cruise line

agents to reserve berthing space at DOT and DLNR harbors. Project is sponsored by the Hawaii Tourism Authority; System accommodates the scheduling of other DOT commercial vessels.
Year 2 milestones: Integrate scheduling system that uses Automatic Identification (GIS) Systems with security systems to track vessel movements in and around State harbors.
Year 5 and beyond milestones: Improve situational awareness of vessel movements in and around State Harbors.
Measures used to gauge effectiveness - Web-based scheduling system to document reservations, priorities, berthing times, cancellation rates, and track vessel movements in and around State harbors under DOT and DLNR's jurisdiction.

2. **Safety**

- **Enhance the system and user safety and transportation facilities with the use of proper equipment, physical hazard reduction; and implement priority safety projects for each harbor.**

Annual planning and development of Special Maintenance Projects to remediate and address safety concerns and necessary facility improvements. The following two projects provide an example of the type of projects undertaken to implement this policy:

Maintenance Dredging at Pier 1-2, Honolulu Harbor

This project will restore dredge depths at Pier 2, Honolulu Harbor to allow vessels to safely berth and the design depth.

Maintenance Pavement Repairs at Sand Island, Honolulu Harbor

This project will ensure that high traffic container yards at Sand Island are paved to eliminate hazards. Pavement repairs at the Matson container yard area are undertaken annually to provide for safe operations.

Timeline:
Year 1 milestones: Projects Design/Bid and construction started.

Year 2 milestones: Design/Bid Programmed Projects
Year 5 milestones: Design/Bid Programmed Projects
Year 5 and up milestones: Design/Bid Programmed Projects
Measures used to gauge effectiveness - Number of Projects Programmed vs. Number of Projects Bid with consideration for unplanned events such as emergencies, natural disasters, etc.

Implement a new comprehensive fire-fighting services model for Honolulu and Kalaeloa Barbers Point Harbors to replace fire-fighting services previously provided by the Honolulu Fire Department.

Timeline:
Year 1 milestones: Complete hull repairs on the existing fireboat and conduct a needs assessment and determine the parameters for the new model to provide fire-fighting services.
Year 2-3 milestones: Develop detailed specifications and procure fire-fighting services under the new model.
Year 5 milestones: Full implementation of a new fire-fighting services model.
Measures to gauge effectiveness: Lowered costs; more efficient and effective comprehensive model in place compared to the previous arrangement with the Honolulu Fire Department.

3. **Security**
   - **Minimize risks of disruption of transportation to, from and within Hawaii due to terrorism and other human security threats and events, as well as threats and events from natural disasters.**
   - **Work with Federal, state and county agencies as well as tenants to conduct vulnerability and risk assessments.**
   - **Implement security policies and strategies to minimize risks and threats of disruption of or damage to the transportation systems while maintaining the intended function of the system.**
   - **Provide continuous monitoring of critical infrastructure and communications systems to provide for appropriate emergency response capability.**

Kauai and Hawaii District Harbor Surveillance and Command Information System (Funded by Department of Homeland Security, Port Security Grant)

Timeline:
Year 1 milestones: Design Completed
Year 2 milestones: Construction completed for system-wide integration
Year 5 milestones: Enhance system with additional sensor improvements.
Measures used to gauge effectiveness - Completion of system and shared video feeds between State Harbors and other agencies for a common situational awareness.

Maritime Wireless Communication System - Broadband (Funded by Department of Homeland Security, Port Security Grant.)

Timeline:
Year 1 milestones: Design completed
Year 2 milestones: Phased Construction in process
Year 5 milestones: Complete Phased Construction and system-wide integration
Measures used to gauge effectiveness - Connect statewide video feeds from all commercial harbors to county emergency centers and to State Civil Defense for a common situational awareness of pre-arrival and post disaster for response and resumption of and continuity of business operations. The project is being supported by the Department of Accounting and General Services (DAGS) because of their unique and assigned core functions regarding electronic communications.

4. **Environment and Quality of Life**

- **Ensure that users and tenants of the water transportation system and its facilities respect environmental, natural and historic resources.**
- **Support the programs of State and Federal natural resource agencies, as well as support on-going lines of communication and coordination with these agencies.**

Small Municipal Separate Storm Sewer System (MS4), Storm Water Permits for Honolulu Harbor and Kalaeloa Barbers Point Harbor.

Timeline:

Year 1 milestones: Meet Storm Water Management Plan (SWMP) objectives and goals to satisfy the Stormwater Consent Decree. Harbors to increase water pollution awareness among employees, tenants and users; implement regular tenant inspections; provide tenant and user outreach, education and training; implement best management practices during and after construction projects; and implement a good housekeeping and pollution prevention program.
Year 2 milestones: Meet SWMP objectives and progressive goals and compliance with the requirements of the consent decree.
Year 5 milestones: Meet SWMP objectives and progressive goals and compliance with the requirements of the consent decree.
Year 5 and up milestones: Meet SWMP objectives and progressive goals. Continue to meet the consent decree requirements.
Measures used to gauge effectiveness - Meet progressive goals of the Storm Water Management Plan and be in compliance with the consent decree.

5. **Economy and Growth**
   - **Create a community flow and freight handling system that is dependable, efficient and industrial/commercial land use and storage areas.**
   - **Provide reliability, dependability and redundancy for commerce in the import and export of goods movement system including inspection facilities at ports, address actions for security of commerce.**
   - **Create modern water transportation systems that are part of a positive visitor experience.**

Development of 94 acre Container Terminal with 1,800+ foot long Pier at Kapalama Military Reservation, Honolulu, Harbor.

Timeline:
Year 1 milestones: Complete the EIS for the Kapalama Container terminal. The EIS will address the proposed action for development of an approximately 94-acre container terminal facility, Highways weigh station and other ancillary features. The waterside improvements would include berthing capacity for two container ships for which dredging would be required.
Year 2 milestones: Complete 100 percent design. Issue revenue bonds to provide funding for the first phase

of terminal improvements and prepare a financing plan for phase 2.
Year 5 milestones: Complete construction of both phases of the Kapalama Container Terminal that is based on the bonding capacity of the Harbors Division, including increases in tariffs to support the revenue requirements for the additional debt service.
Measures used to gauge effectiveness - Complete the construction of the Kapalama Container Terminal and place the facility into use to accommodate the rising demand for container facilities at Honolulu Harbor.

6. **Energy**

- **Support the national goal to reduce transportation-related greenhouse gas, GHG) emissions and reliance on foreign oil.**
- **Use opportunities where and when practicable and available, to use solar (heating and photovoltaic), wind, geothermal, and ocean resources to supply power to create electricity for transportation facilities.**

Assess the feasibility of energy savings performance contracting to implement energy conservation measures in facilities using guaranteed energy savings to finance the projects.

Timeline:
Year 1 milestones: While an Investment Grade Audit for Harbors Division was to have been completed in Year 1, the contractor, Johnson Controls, Inc. delayed the completion of the audit to Year 2 as their initial focus was on the Airports Division.
Year 2 milestones: Complete Harbors Division's Investment Grade Audit to identify energy savings projects and enter into a Guaranteed Energy Savings Contract with Johnson Controls, Inc. in compliance with policy directions set by the Interim DOT Director. As most container/cargo yard users directly pay Hawaiian Electric for their electricity costs, legislative appropriations must also be approved by the 2015 Legislature to enable the division to assume the electricity payments so that it is able to enter into a energy savings contract with Johnson Controls to provide guaranteed energy savings to finance the projects.

Year 5 milestones: Monitor effectiveness and costs savings
Year 5 and up milestones: Same as above
Measures used to gauge effectiveness: Contractor's ability to meet energy savings guarantees as provided under its contract.

7. **Funding**

- **Develop a statewide framework for long-range financial forecasting; and within this framework distinguish between system preservation, capacity enhancement, and modernization needs that are funded from user-financing.**
- **Identify sources and develop and secure funding for the sustainable delivery, maintenance, operation, rehabilitation, replacement and expansion of the state transportation system.**
- **Ensure funding for the safety and security of the state transportation systems.**
- **Maximize the use of Federal programs and funding for needed transportation infrastructure; use Federal non-recurring initiatives and funding sources such as ARRA and report on project and program achievements.**

Continue the implementation of tariff increases to provide for financial self-sufficiency and to support the financial requirements of New Day Work Projects as well as plan for future tariff increases to support the capital program.

Timeline:
Year 1 milestones: Amendments to the tariff rates under Chapter 19-44, Hawaii Administrative Rules (Pertaining to Services and Procedures, Charges, Tolls and Fees), were promulgated through the rule-making process. Restructuring of wharfage rates and a one-time 10% increase in all other fees within General Provisions, Dockage, Small Craft and Other Vessel Fees, Rental, Demurrage and Port Entry Fees were implemented on March 1, 2010. The amendments also provided the division with the authority to implement annual incremental increases to wharfage rates. On July 1, 2010, wharfage rates were increased by 20%. In accordance with the amendments, wharfage rates were increased 15% on July 1, 2011. Cruise ship passenger fees were also increased to $5.00.

Year 2 milestones: On July 1, 2012,wharfage rates were increased an additional 10%. Cruise ship passenger fees were increased to $5.50.
Year 5 milestones: Wharfage rates increased 7% on July 1, 2013 followed by a 5% increase on July 1, 2014. On July 1, 2015, wharfage rates will increase by 3% or annual percentage increase in the CPI, whichever is greater. Cruise ship passenger fees increase incrementally each year by $0.50 to $7.00 by 2015.
Year 5 and up milestones: The financial requirements of the New Day Work Projects requires review and implementation of additional amendments to administrative rules to increase tariffs necessary to generate revenues to support operating and capital costs as well as the implementation of rules to improve the management of the commercial harbors system. A review will be undertaken to recommend the level of wharfage rate increases necessary to support the issuance of additional revenue bonds to finance the Kapalama Container Terminal facilities, Phase I and II, and other priority projects.
Measures used to gauge effectiveness - Ability to meet certificate and GAAP coverage within a range of 1.75 to 2 times the debt service requirement; improved operational efficiencies.

Leverage federal funding for infrastructure expansion projects at Hawaii Harbors with the U.S. Maritime Administration (MARAD)under the Hawaii Port Expansion Program.

- **Timeline:**
Year 1 milestones: $5.086 Million in surplus Federal Transit Administration funds were transferred to MARAD under this program.
Year 2 milestones: Complete designs and initiate construction of designated expansion projects financed with MARAD funding. Designs for critical projects have been finalized. Due to audit findings resulting from an Office of Inspector General (OIG) audit of MARAD, construction responsibilities were transferred back to the State. The State is presently working with MARAD to address the implementation of this transition of responsibilities.
Year 3 milestones. Presently in construction for Hilo, Pier 1 Shed Modifications that will allow greater flexibility for vessel berthing; in construction for

Pier 31 Shed Demolition, Honolulu Harbor. In process to initiate contract for AMS system procurement.
Year 5 milestones: Achieve programmatic continuity of MARAD funding for harbor expansion related projects.
Measures used to gauge effectiveness: 5% or less variance between annual forecasted MARAD funding and actual funding.

8. **Leadership**
   - **Increase the level of accountability of personnel both on and off the job.**
     Provide increased opportunities for training and sufficient equipment allowing personnel to be successful. Implement policies that demonstrate commitment to transparency, ethics and strict compliance with regulations, policies and procedures.
   - **Promote open communication between management and rank and file employees.**

Improve management capabilities to ensure coordination and compliance of the statewide maritime security program with all federal security requirements provided in 33 CFR 105.

Timeline:
Year 1 milestones: Reorganization was completed to establish a security and emergency disaster office reporting to the Harbors Administrator to plan and coordinate maritime security, emergency disaster prepareness, safety and security, security grants management, and training among other key functions. The position to oversee this office has been filled. The division also began a management review of the security and enforcement unit (Harbor Police) to assess operational strengths and deficiencies and develop a training program to meet functional requirements to oversee facility security plans, security and enforcement of operational regulations at Honolulu Harbor.
Year 2 milestones: Continued efforts were made to ensure that Harbor Police personnel meet annual certification requirements in knowledge, skills and ability to carry firearms. Harbor Police were trained to maintain certifications as law enforcement officers. A new harbor patrol boat and statewide radio system were secured and made operational through funds obtained under a federal Port Security Grant.

Year 3 milestones: The 2014 Legislature passed S.B. 2589,SD2 HD2 CD1 to consolidate harbor law enforcement functions under the Department of Public Safety (PSD) and require harbor police officers to meet state sheriff qualifications to standardize skill requirements and increase professionalism. The bill was vetoed by Governor Abercrombie to provide the DOT and PSD more time to administratively implement the objectives of the bill with duties and responsibilities of DOT and PSD being resolved through a memorandum of agreement. Both departments are currently in discussions to finalize the memorandum of agreement.
Year 5 and up milestones: Harbor law enforcement personnel are equipped with knowledge, skills and abilities comparable to state sheriffs to increase professionalism and ensure the division's compliance with all federal requirements imposed by 33CFR 105.

Measures used to gauge effectiveness - No assessment of violations or fines relating to non-compliance of 33 CFR 105.

D. HIGHWAYS DIVISION

The Highways Division oversees the State Highway System. It is comprised of more than 945 centerline miles of highways and roads that provide regional movement and link major sites, such as airports, harbors, industrial areas, major communities, and primary urban centers. Although it accounts for only 22% of the total centerline miles of roadways, the State Highway System carries approximately 56% of the total ten billion annual vehicle miles traveled in Hawaii. By connecting regions with key locations and carrying high volumes of vehicles and freight, the State Highway System enables the efficient movement of commuters and goods statewide.

Statement of Goals

The Highways Division's goal is to provide a safe, efficient, and accessible highway system through the utilization of available resources in the maintenance, enhancement, and support of land transportation facilities and programs.

Objectives and Policies

In order to achieve this goal, the Highways Division is guided by goals and objectives developed in alignment with Federal and State plans, policies, and regulations, including the Federal Planning Factors, identified in the Code of Federal Regulations, and the Department's Hawaii Statewide Transportation Plan.

The goals and objectives of the Highways Division include, but are not limited to, the following:

1. Mobility and Accessibility

- **System Preservation**
  - o Manage transportation assets and optimize investments.
  - o Maintain a safe, efficient, and complete transportation system for the long-term.

    The System Preservation program preserves, upgrades, and maintains the State Highway System to help ensure the functionality of the system, that it operates safely and efficiently, and meets federal requirements. In addition to CIP projects, a major component of the system preservation program is the Special Maintenance Program, which identifies routine preservation projects with longer lifespans on each island and provides dedicated funds to implement them. This supplies approximately $75-100 million per year to be used for state projects or as the 20% match for federal aid projects. Initiatives completed under the System Preservation Program include pavement preservation; pavement resurfacing, rehabilitation, and reconstruction; bridge replacement, rehabilitation, and/or seismic retrofit; drainage improvements; erosion control; guardrail replacement; and street light pole replacement.

Oahu Highways, Pali Highway Resurfacing, Waokanaka Street to Kamehameha Highway, and Pali Highway Lighting Replacement, Vineyard Boulevard to Kamehameha Highway: Resurface pavement and replace street lighting. Enhance visibility and reduce environmental impacts with flat lens installations, and lower vehicle damage and maintenance costs. Provide improved ride quality and provide a well-maintained transportation structure.

Timeline: Currently scheduled for construction advertisement, Summer 2015.
Measures used to gauge effectiveness - Improved safety and roadway rideability without recurring potholes and loose gravel from the unraveling of the pavement.

Oahu Highways, Farrington Highway, Replacement of Maipalaoa Bridge: This project involves the replacement of the existing tee-beam bridge structure with a wider, longer bridge meeting current design standards and accommodating present day vehicular loads. It will be designed to reduce or eliminate the possibility of scour, and will provide a safer, more efficient facility to residents and visitors utilizing Farrington Highway along the Waianae coastline.
Timeline: Advertisement of this project is currently scheduled for fiscal year 2015.
Measure used to gauge effectiveness - Improved safety by meeting federal and state standards for structures.

Oahu Highways, Kamehameha Highway Resurfacing, Vicinity of Ka Uka Boulevard to Vicinity of Waihau Street: This project involves the resurfacing of this stretch of Kamehameha Highway to extend its service life, and provides associated improvements, including pavement reconstruction, guardrail, signs, drainage improvements, new bus bays, and striping.
Timeline: A June 23, 2014 notice to proceed with construction was authorized. Estimated construction completion: June 27, 2016.
Measures used to gauge effectiveness - Improved roadway rideability without recurring potholes and loose gravel from the unraveling of the pavement.

Hawaii Highways, Mamalahoa Highway Drainage Improvements, Vicinity of Puuwaawaa Ranch Road: This project will provide roadway section and drainage facility improvements in the vicinity of mile post 21.0 in order to reduce accidents during inclement weather.
Timeline: Advertisement for this project is currently scheduled for fiscal year 2015.
Measure used to gauge effectiveness: Reduction or elimination of flooding, and increased safety

along Mamalahoa Highway in the vicinity of Puuwaawaa Ranch Road during heavy rainstorms.

Hawaii Highways, Hawaii Belt Road Resurfacing, Pepeekeo to Hakalau: This project involves the resurfacing of this stretch of Hawaii Belt Road to extend its service life.

Timeline: A November 3, 2014 notice to proceed with construction was authorized. Estimated construction completion: February 11, 2016.
Measures used to gauge effectiveness - Improved roadway rideability without recurring potholes and loose gravel from the unraveling of the pavement.

Maui Highways, Kamehameha V Highway Resurfacing, Kaunakakai to Kamiloloa Bridge and Vicinity of Makakupaia Bridge to Kapuokoolau: This project involves the resurfacing of this stretch of Kamehameha V Highway on Molokai to extend its service life.

Timeline: Construction contract awarded September 10, 2014. Estimated NTP: Winter / Spring 2015.
Measures used to gauge effectiveness - Improved roadway rideability without recurring potholes and loose gravel from the unraveling of the pavement.

Maui Highways, Honoapiilani Highway, Shoreline Improvements, Vicinity of Olowalu: This project involves repair of a damaged section of Honoapiilani Highway, and provides protection for the highway from ocean waves by constructing shoreline mitigation work, including construction of a revetment protection system, repair of the damaged pavement section, and installation of guardrails.

Timeline: Advertisement for this project is currently scheduled for fiscal year 2015.
Measures used to gauge effectiveness - Travel access between central Maui and West Maui will be maintained.

Kauai Highways, Kaumualii Highway, Omao Stream Bridge Rehabilitation/Replacement: This project involves the rehabilitation/replacement of a concrete tee girder bridge on Kaumualii Highway in the vicinity of Omao Road to meet current design standards, which involves

widening, lengthening (if required), and strengthening of Omao Stream Bridge, installing bridge railings, and providing bridge scour protection.

Timeline: Advertisement for this project is currently scheduled for fiscal year 2016.

Measures used to gauge effectiveness - Improved safety by meeting federal and state standards for structures.

Kauai Highways, Nawiliwili Road from Kaumualii Highway to Kainani Street: This design-build project involves the reconstruction of a critical section of Nawiliwili Road in Lihue. Sidewalks will be added as well as bike lanes in accordance with the Complete Streets Policy.

Timeline: A June 23, 2014 notice to proceed with construction was authorized. Estimated construction completion: April 29, 2015.

Measures used to gauge effectiveness - Improved safety for motorists as well as bicylclists and pedestrians.

- **System Efficiency Management and Operations**

  Improve capacity and efficiency, and reduce congestion within the existing transportation system for long term benefit.

  System Efficiency Management and Operations includes the Highway Division's capacity and congestion programs. The Capacity Program provides new and/or additional capacity for all modes of transportation. The process begins with the identification and prioritization of capacity needs in the Long Range Land Transportation Plans. Initiatives completed under the Capacity Program include widening existing highways and constructing new highways, sidewalks, bike lanes, and shared use paths.

  The congestion program provides infrastructure, operations, improvements, and technology to optimize traffic flow, reduce travel times, and address recurring and non-recurring events/incidents that cause congestion. Initiatives completed under the Congestion Program include the freeway management system, including its Freeway Service Patrol and Intelligent Transportation Systems (ITS),

intersection operations improvements, traffic signal upgrades, and traffic signal optimization.

Oahu Highways, Freeway Management System: Continuing development and deployment of a Freeway Management System (FMS) will maximize efficiency and improve safety along our freeways by using intelligent transportation systems technologies. The FMS includes the deployment of CCTV cameras, vehicle detectors, dynamic message signs, dissemination of traveler information, Freeway Service Patrols (FSP), Traffic Operation Center enhancement, and other traffic management strategies.

Timeline:
The popular FSP program is currently in its 6th year of operation. The addition of new traffic cameras at the Pearl Harbor Interchange is under construction. Projects to add a host of new cameras and Dynamic Message signs will start construction soon.

Measures used to gauge effectiveness - Improved Level-of-Service and traffic flow by helping the motoring public to plan trips through traveler information. Improved freeway traffic flow by managing traffic incidents.

Hawaii Highways, Queen Kaahumanu Highway Intersection Improvements at Kawaihae Road: This project involves construction of an exclusive right-turn lane for northbound Queen Kaahumanu Highway motorists, an exclusive right-turn lane for eastbound Kawaihae Road motorists, and an acceleration lane on Kawaihae Road to facilitate the left-turn lane for westbound Kawaihae Road travelers. The left-turn lane for westbound Kawaihae Road travelers will also be lengthened.

Timeline: Advertisement for this project is currently scheduled for summer, 2015.

Measures used to gauge effectiveness - Improved traffic flow with reduced delays, reduced fuel consumption, and less degradation to the environment.

Maui Highways, Haleakala Highway Intersection Improvements at Kula Highway: This project involves the installation of a right-turn lane on west-bound Haleakala Highway, and modernization of the traffic

signal system, as well as installation of walkways, paved shoulders, and/or sidewalks from the intersection to King Kekaulike entrances.

Timeline: Construction contract awarded September 17, 2014. Estimated NTP: Winter / Spring 2015.
Measures used to gauge effectiveness - Improved traffic flow with reduced delays, reduced fuel consumption, and less degradation to the environment.

Kauai Highways, Kaumualii Highway Intersection Improvements at Waimea Canyon Drive and Menehune Road / Halepule Road: This project involves the installation of new traffic signals, construction of auxiliary turning lanes, and utility relocations.

Timeline: Advertisement for this project is currently scheduled for summer, 2015.
Measures used to gauge effectiveness - Improved traffic flow with reduced delays, reduced fuel consumption, and less degradation to the environment.

- **Transportation Access Mobility and Modal Integration**
  - Provide appropriate and reliable transportation access options statewide to all users.
  - Ensure transportation investments in programs and prioritization processes are balanced (across modes and demographics, i.e. serves Environmental Justice populations.)
  - Provide a multimodal transportation system of motorized and non-motorized options.
  - Promote efficient travel between modes by creating connections and removing barriers.
  - Promote safe connections between modal alternatives.

  Transportation Access Mobility guides development of a travel way that is balanced and provides transportation options for all users. Modal integration provides connectivity between modes and safety for the various modes within the travel way.

  Transportation Access Mobility is addressed by the HDOT's Title VI and Environmental Justice Program, which covers all HDOT plans, programs,

and projects. As a recipient of federal financial assistance, the HDOT is required to comply with federal non-discrimination laws and regulations.

Both Transportation Access Mobility and Modal Integration are integrated into plans, programs, and projects by the consideration of the Highways Division's Complete Streets policy. The policy and its principles guide and direct the Highways Division in providing safe mobility for all users, including bicyclists, pedestrians, transit riders, movers of freight, and motorists, appropriate to the function and context of the transportation facility.

In addition, Section 264-18 of the Hawaii Revised Statutes (HRS) requires the Highways Division to report on bikeway projects and expenditures and to spend at least 2% of eligible federal funds on bikeway projects. This requirement has been exceeded with a total of over $25.5 million in federal funds (and over $30.5 million total) spent on bikeway projects between 2007 and 2011.

Oahu Highways, Kapolei Interchange: Interstate Route H-1, Kapolei Interchange, Phase 2, is expected to provide additional traffic operational improvements at the Makakilo and Palailai Interchanges and to lessen traffic congestion in the Kapolei area.

Timeline: Construction for the first phase began in July 2009, and was completed in August 2012. Advertisement of this second phase is anticipated in the spring of 2015.

Measures used to gauge effectiveness - Reduction of congestion on internal roadway system relating to access in and out of Kapolei. Completion of full-interchange providing access for all access into and out of Kapolei/Makakilo.

Oahu Highways, Kamehameha Highway Widening, Lanikuhana Avenue to Ka Uka Boulevard: This project will widen this stretch of Kamehameha Highway (approximately 1.9 miles), from a two-lane undivided facility, to a four-lane divided facility with shoulders for bicycles and disabled vehicles.

Timeline: Planning is currently ongoing. Design is anticipated to start up in fiscal year 2016.
Measures used to gauge effectiveness - Improved traffic flow and capacity for this section of Kamehameha Highway.

Hawaii Highways, Keaau-Pahoa Rd. Shoulder Lane Conversion: The Keaau-Pahoa Road Shoulder Lane Conversion, Keaau Bypass Road to Shower Drive, will construct an additional lane in the (Hilo-bound) direction and provide a shoulder that pedestrians and bicyclists can utilize. In addition, the (Pahoa-bound) shoulder will be widened to provide a 10-foot wide shoulder lane to be used as a traffic lane during the P.M. peak traffic hours. This project will be constructed in 2 phases: The first will mainly address the shoulder lanes; the main focus of the second phase is the construction of intersection improvements at Shower Drive and Keaau-Pahoa Road.

Timeline: A February 19, 2013 NTP was given for the 1st shoulder lane conversion construction project. Current estimated completion date is June 5, 2015.
Measures used to gauge effectiveness - Improved Level-of-Service for motorists on Keaau-Pahoa Road during morning and afternoon peak hours.

Maui Highways, Puunene Avenue Improvements, Kamehameha Avenue to Kuihelani Highway: This project will widen this section of Puunene Avenue from two to four lanes, increasing capacity to accommodate both current and future traffic levels, and make it a safer facility for commuters and the community.

Timeline: This project is currently under design, with anticipated construction in fiscal year 2019.
Measures used to gauge effectiveness - Improved traffic flow and congestion by addressing traffic demands along Puunene Avenue.

Maui Highways, Honopiilani Highway Widening/Realignment: Planning is ongoing for Honoapiilani Highway Widening/Realignment, from Maalaea Harbor to Puamana. Improvements may involve widening portions of the existing highway and/or constructing a new highway along a different alignment in order to alleviate traffic congestion, protect the area from shoreline erosion, accommodate future travel

demand, and improve reliability of access to and from West Maui.

Timeline: Ongoing

Measures used to gauge effectiveness - Improved Level-of-Service for motorists traveling through this section of Honoapiilani Highway, and meeting the traffic demands of an area transitioning from rural to urban conditions.

Kauai Highways, Kaumualii Highway Widening:
Construction of the first phase of Kaumualii Highway Widening from Lihue Mill Bridge to Anonui Street was completed in 2012. A design-build project began in 2012 on the next phase from Rice Street to the Lihue Mill Bridge. It is anticipated that construction will be completed on March 30, 2015.
Phase IB of the Kaumualii Widening Project extends from Anonui Street to Kipu Road. The design for this phase is at 60%. Right of way has not been acquired for this phase. It is anticipated that the project, not including right of way, will cost approximately $50 million.
Phase IC from Kipu Road to the vicinity of the Haiku Airstrip (West of the Humane Society Milepost 3.47) is currently at the 60% design stage. Right of way has not been acquired for this phase. The estimated cost of this phase is $20 million, not including right-of-way.
Phases II and III are not designed. These two phases will complete the project up to Maluhia Road.
Completion of this four-lane highway in a timely manner is considered critical to relieving traffic congestion on the west side of Kauai.

Timeline: Ongoing

Measures used to gauge effectiveness - Improved safety and Level-of-Service for motorists traveling through congested corridor connecting Lihue and rapidly growing Poipu area.

2. Safety

- **Maintain a safe transportation system for all land transportation modes.**
- **Improve safety of the community through connectivity of the transportation infrastructure.**

The Safety Program supports Hawaii's roadway users arriving safely at their destinations by collecting

data to identify areas characterized with high accident occurrences; implementing both infrastructure improvements and non-infrastructure education and public outreach programs; maintaining the integrity of roadway features like embankments, slopes, retaining walls, pavement, and bridges; and installing and upgrading roadway features such as guardrails to reduce injuries and increase survivability during crashes. Initiatives completed under the Safety Program include various projects that fall under the Highway Safety Improvement Program, rockfall and slope stabilization, guardrail and shoulder improvements, and highway shoreline protection.

Oahu Highways, Farrington Highway Intersection Improvements: Intersection improvements at Farrington Highway at Nanakuli Avenue and Haleakala Avenue are intended to increase traffic safety and operation efficiency in these areas.

Timeline: Construction contract was awarded on August 28, 2014. A November 10, 2014 notice to proceed with construction was authorized. Estimated construction completion: May 2, 2016.
Measures used to gauge effectiveness - Improved safety and accident reductions at two prioritized high-accident sites.

Oahu Highways, Kamehameha Highway Safety Improvements, Vicinity of Waikane Valley Road to Pohuehue Road:: This project involves the installation of milled rumble strips, drainage improvements, guardrail and end-treatments, signage, and pavement markings.

Timeline: Advertisement for this project is currently scheduled for fiscal year 2015.
Measures used to gauge effectiveness - Improved safety and accident reduction along this stretch of Kamehameha Highway.

Hawaii Highways, Mamalahoa Highway Safety Improvements, Milepost 3.9 to Milepost 6.9; Kohala Mountain Road, Safety Improvements, Milepost 7.2 to Milepost 9.2: These 2 projects involves low-cost safety installations, which may include installation of centerline and shoulder rumble strips; high friction surface treatment; curve ahead signs and beacons and chevrons for motorcycle safety;

superelevation assessment (to determine treatment) along entire segment; pavement markings; and signing.

Timeline: Design for each of these projects was just initiated. Advertisement for construction is anticipated in fiscal year 2017.

Measures used to gauge effectiveness - Improved safety and accident reduction along these two stretches.

Maui Highways, Honoapiilani Highway Safety Improvements, Ukumehame to Olowalu: This project involves low-cost safety installations, which may include the shoulder and centerline milled rumble strips; widening of paved shoulders; and installation of pavement markings and signing to provide a safer roadway environment for all users of the facility.

Timeline: Design is currently being initiated. Advertisement for construction is anticipated in fiscal year 2017.

Measures used to gauge effectiveness - Improved safety and accident reduction along this stretch of Honoapiilani Highway.

Kauai Highways, Kuhio Highway Emergency Slope Stabilization in the Vicinity of Kalihiwai Bridge: This project involves the clearing of Albizia trees, removal of loose rocks, and installation of rock anchors in order to stabilize this slope and maintain connectivity to the north side of Kauai, as Kuhio Highway is the only facility providing this access.

Timeline: This project is currently in design. Advertising for construction is estimated in the fall of 2016.

Measures used to gauge effectiveness - Improved safety and rockfall reduction along this stretch of Kuhio Highway.

Click It or Ticket: The DOT also continued numerous traffic safety countermeasure activities this fiscal year. Through its "Click It Or Ticket" (CIOT) campaign, Hawaii has one of the highest seatbelt usage rates nationwide at 94-percent. The success of the CIOT campaign can be attributed to the hard work of many highway safety partners, which include the four county police departments, the Department of Health, the Department of Education, the Federal Highway

Administration, the Federal Motor Carrier Safety Association, local fire departments, religious leaders, military bases, and others, along with the DOT. Enforcement was supported by a strong media campaign that utilized television, radio, and movie theatres advertising aimed at key demographics, along with variable highway message boards reminding motorists to buckle up.

Timeline: Continuous

Measures used to gauge effectiveness - Improved safety through increased compliance to state and federal seat belt statutes.

Impaired Driving: To combat the problem of drunk driving, DOT, in collaboration with the four county police departments, continued the "Drive Sober or Get Pulled Over" public safety campaign to increase the frequency of sobriety checkpoints to a minimum of one every week, all year-round. A strong media campaign using television, radio and movie theater ads also help to reach key demographics.

As with other states, driving while under the influence of drugs is a growing concern in Hawaii, whether it is prescription or illegal substances. We have worked diligently to expand Hawaii's Drug Recognition Expert (DRE) program which helps identify drivers who are impaired by substances other than alcohol. Currently, Hawaii has more than 60 DREs and at least two DRE instructors in each of Hawaii's four counties.

Timeline: Continuous

Measures used to gauge effectiveness - Improved safety through education and enforcement of impaired driving statutes.

Walk Wise Hawaii: Walk Wide Hawaii (WWH), a pedestrian safety education program administered by DOT, continued its partnerships with various State and County agencies, private businesses, and community organizations to sponsor an annual education campaign to inform citizens about safe behaviors and laws for pedestrians and drivers. The campaign includes outreach to senior groups, rotary clubs, neighborhood boards, hotels, and other community groups and events. Multi-language brochures, movie theatre ads, and bus ads have also been included in WWH's outreach.

Additionally, the WWH program also created Pedestrian Safety Month which happens every August. During the month, we try to have at least one pedestrian safety activity each day in an effort to educate the public and generate media coverage. The National Highway Traffic Safety Administration recently awarded WWH with a National Public Service award for reducing pedestrian fatalities and injuries.

Timeline: Continuous

Measures used to gauge effectiveness - Improved pedestrian safety through education and information.

Safe Routes to School: The Safe Routes to School (SRTS) program was created in 2005 and is a Federally funded program administered by the DOT. It is designed to encourage elementary and middle school aged children to be physically active; make walking and bicycling to school a safe, routine activity; and facilitate planning, development, and implementation of projects and activities that will improve safety and reduce traffic, fuel consumption, and air pollution in the vicinity of schools. SRTS infrastructure and non-infrastructure projects are currently ongoing. A total of 8 projects (3 non-infrastructure and 5 infrastructure) were funded in April 2014 during the third call for applications. SRTS informational workshops were offered to inform the public about the SRTS program and requirements of SRTS federal grants. In addition, the State DOT manages State funds in the SRTS program special fund that was established by Act 317, SLH 2012. Administrative rules were adopted to establish procedures for the distribution and expenditure of moneys in the SRTS program special fund. SRTS projects are also eligible to be funded by the Transportation Alternatives Program under MAP-21.

Timeline: Continuous

Measures used to gauge effectiveness - Improved health of children by encouraging walking and bicycling to school. Improved traffic flow by reducing vehicle trips to schools.

3. Security

- **Plan, maintain, and operate a transportation system that supports evacuation, response, and recovery for incidents.**

- **Improve the resiliency of the State through the transportation system.**

  Security is an especially key issue because the majority of belt roads in Hawaii are the only access to many communities. Security is maintained through coordination and implementation of the Highways Division programs, Systems Preservation, Safety, Capacity, and Congestion (discussed earlier). The maintenance and improvement to these belt roads, along with the other state roads, provides for security in terms of sufficient capacity and traffic flow to serve for evacuation, emergency response, recovery, resiliency, and other security needs in the event that an incident occurs.

  Additionally, as part of its operations, the Highways Division has crews and equipment available to respond to localized incidents and is part of the civil defense network of government agencies that coordinate and dispatch crews and equipment, as needed to proactively prepare for and respond to incidents of statewide or countywide significance.

4. **Environment and Quality of Life**
   - **Preserve and enhance the natural environment, including biological and aesthetic resources.**
   - **Preserve and enhance Hawaii's cultural resources environment, including archaeological and historical sites.**
   - **Meet the relevant environmental regulations and standards set by Federal, State, and County/City agencies. Maintain collaborative working relationships with agencies and comply with goals of their relevant plans and policies.**
   - **Promote the use of sustainable practices in designing, constructing, operating, and maintaining transportation facilities and programs.**
   - **Promote long term resiliency relative to all hazards mitigation, namely global climate change with considerations to reducing contributions to climate change from transportation facilities, and reducing the future impacts of climate change on the transportation infrastructure.**

Environment and Sustainability objectives are incorporated into the Highways Division's plans, programs, and projects through compliance with federal and state environmental requirements, such as 23 CFR 771 (the National Environmental Policy Act [NEPA]), Section 4(f) of the Department of Transportation (DOT) Act of 1966, HRS 343 (the Hawaii Environmental Policy Act [HEPA]), and HRS 6E on Historic Preservation. In addition, the Highways Division has specific environmental programs for maintenance, statewide storm water management, and waste management to protect and enhance the environment as well as to meet federal and state requirements.

Environmental Management System: The Highways Division is in the process of establishing comprehensive environmental programs for the Division. An Environmental Management System (EMS) has been developed, especially for all maintenance activities. The EMS follows EPA's National Environmental Investigative Center (NEIC) EMS model, which incorporates the ISO 14001 EMS standards. The coverage of the EMS includes Environmental Policy; Organization; Personnel and Oversight of EMS; Accountability and Responsibility; Environmental Requirements, Assessment, Prevention and Control; Environmental Incident and Noncompliance Investigations; Environmental Training, Awareness, and Competence; Environmental Planning and Decision-Making; Maintenance of Records and Documentation; Pollution Prevention and Best Management Practices Program; Continuing Program Evaluation and Improvement; and Public Involvement and Community Outreach.

Timeline: Ongoing

Measures used to gauge effectiveness - Continuing to meet NEIC standards.

Storm Water Pollution Control Plan: DOT Highways has prepared a Storm Water Pollution Control Plan (SWPCP) for each baseyard with industrial activities on Neighbor Islands and all baseyards on Oahu.

Timeline: Continuous

Measures used to gauge effectiveness - Independent third party inspections on a

quarterly basis of all baseyards on Oahu have been conducted by a trained individual.

Oahu Highways, Miscellaneous Permanent Best Management Practices on: Project involves installation of a Hydrodynamic separator at Kaneohe Bay Drive, M.P. 0.62; removal of concrete ditches and construction of an infiltration BMP along Kamehameha Highway near milepost 42.4; and construction of Best Management Practices for the existing drainage systems along Interstate Route H-3 within the Kapaa Watershed.

Timeline: This project was awarded on September 10, 2014. Notice to proceed with construction is anticipated in the winter/spring of 2015.

Measures used to gauge effectiveness - Minimal signs of additional erosion at this site.

Oahu Highways, Kawainui Watershed Storm Water Best Management Practices on Oahu: This project involves measures to reduce the amount of sediment entering the State's waters from the Highways Division's facilities; these measures include slope surface preparation and recontouring, installation of various methods for the minimization of runoff, and retrofitting of existing drainage structures.

Timeline: This project was awarded on September 10, 2014. Notice to proceed with construction is anticipated in the winter/spring of 2015.

Measures used to gauge effectiveness - Minimal signs of additional erosion at this site.

Maui Highways, Hana Highway/Kaahumanu Avenue Beautification, Dairy Road to Naniloa Overpass: This project involves the beautification of the main corridor between Kahului and Wailuku on Maui, including landscaping and irrigation.

Timeline: Advertisement for this project is currently scheduled for fiscal year 2016.

Measures used to gauge effectiveness - Continued or increased visitor rates with the contribution of these positive images.

Kauai Highways, Kuhio Highway Invasive Species Management, Kalihiwai Road to Kahili Holo Road: This project involves the removal of invasive trees and replacing them with native trees.

Timeline: This project was awarded on August 14, 2014. Notice to proceed with construction is anticipated in the winter/spring of 2015.
Measures used to gauge effectiveness - Increased population and area of native vegetation.

5. **Economy and Growth**

- **Promote the expansion and diversification of Hawaii's economy through the efficient and effective use of transportation facilities including movement of people, goods, and services in a safe, energy efficient, and environmentally sound manner.**

Economy and Growth objectives are supported by the Highways Division programs—Capacity, Congestion, System Preservation, and Safety (discussed earlier). Addressing Hawaii's congestion and capacity needs establishes efficient connections regionally and between harbors, airports, industrial areas, major communities, and primary urban centers and addressing safety and system preservation needs provides a safe and functioning transportation system for roadway users. Therefore the system enables commuter and freight movements, which are essential to the economic vitality of our state.

6. **Energy**

- **Actively pursue actions in transportation which help to achieve the State clean Energy Goal of 40% renewable energy by 2030; and use integrated action plans from DBEDT's Lead by Example Energy Initiatives with priority transportation actions that would support the Hawaii Clean Energy Initiative (HCEI).**
- **Identify ways to increase energy efficiency by 30% at transportation facilities and identify projects and programs for increased efficiency of energy in support of the HCEI, Leadership in Energy & Environmental Design (LEED), and other green initiatives for more efficient use of energy.**

Energy objectives are supported in coordination and implementation of our programs that support operations, such as congestion, capacity, and preservation. The congestion program monitors and reduces travel times (and

therefore fuel consumption and greenhouse gas emissions) through optimizing traffic flow and addressing events/incidents that cause congestion. Transportation Access Mobility and Modal Integration policies, such as the Highways Division's Complete Streets policy, also decrease the demand for fossil fuels by promoting non-motorized travel and providing mobility for non-motorized modes.

Statewide Traffic Signal Modernization: DOT has a statewide program to convert traffic signal lighting to energy saving LED lights. Program is focused on energy savings from use of LED lights, as well as improved visibility of LED lighting. Program directs highway projects involving modifications to traffic signals to include conversion of existing signal lighting to LED.

Timeline: DOT has completed Phase I and Phase II of the Traffic Signal Modernization, LED Signal Retrofit, for the island of Oahu. Phase III of this program will convert existing traffic signal lights on the neighbor islands to LED. Phase III has been programmed, however, funding has not been secured.
Measures used to gauge effectiveness - Meet projected energy savings of 6 million kilowatt hours per year.

Implementing Energy Saving Measures: All future building projects will be designed to meet LEED silver certification. All new computer equipment will be energy star compliant. The Highways Division has installed PV systems at their Hawaii, Maui, and Kauai District Offices, as well as the Keanae Baseyard facility on Maui. The Highways Division is also working on replacing their air conditioning systems statewide to reduce energy consumption. The Highways Division is also replacing all of its highway lighting on the Island of Hawaii and some locations on Maui and Oahu, with new energy efficient LED lights.

Timeline: Ongoing.
Measures used to gauge effectiveness - Cost savings achieved through the above-mentioned energy saving measures.

Saddle Road Improvement: This project upgrades the roadway to current standards by providing wider travel lanes, improved shoulders, correcting substandard roadway geometrics, and other related improvement. As

a result, a safer roadway from Hilo to Route 190 is provided that has reported to provide substantial travel time savings to the road users, thus improving the mobility of people, goods and services on the Island of Hawaii. The realigned portions of Saddle Road and the new connection to Route 190 cuts approximately 8 miles of travel distance between Hilo to Kona.

Timeline: Previously completed segments from Mile Post 11 to 42 have been opened to the public. The most recent completed segment from Mile Post 42 to Route 190 was opened on September 7, 2013.

Measures used to gauge effectiveness - pre-project and post project travel time data are currently being collected between Hilo and Kona.

7. Funding

- Obtain sufficient and specific transportation funding.

The Highways Division receives its funding from both Federal and State sources, with federal funds making up about two fifths of its funding.

Federal Highway Trust Fund revenues come from motor vehicle fuel taxes, sales taxes for heavy trucks and trailers, tire taxes, and heavy truck use taxes. The Federal Highway Trust Fund allocates revenue to states through the Federal-aid highway program.

Moving Ahead for Progress In the 21st Century (MAP-21) was enacted on July 6, 2012 which funded the Federal-aid highway program up until September 30, 2014. On August 8, 2014 congress passed Public Law No. 113-159 that temporarily extended funding for the Federal-aid Highways program for the partial year period beginning October 1, 2014 to May 31, 2015. Under the assumption that congress will continue funding the program beyond May 31, 2015, the extrapolated annual funding level from the partial year authorization provided from the Federal Highway Administration to date remains similar to the amount received 2013 and 2014, which is also similar to past formula funding levels provided under the previous legislation, the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). It condenses and streamlines transportation funding programs from the 90 authorized previously into approximately 30. The revenues are

apportioned to states based on formula distribution as in previous surface transportation legislation.

The major programs funded under MAP-21 include: National Highway Performance Program, Surface Transportation Program, Congestion Mitigation & Air Quality Improvement Program, Metropolitan Planning, Railway-Highway Crossings and the Highway Safety Improvement Program. To be eligible to receive funds from the Federal Highway Trust Fund, programs and projects must be included in the Highways Division's statewide long-range land transportation plan and in Hawaii's Statewide Transportation Improvement Program (STIP). The STIP is basically a four year Federal approved budget for the Division.

MAP-21 stresses a performance driven approach and requires States to develop and implement performance measure strategies. Failure to comply with these new federal requirements will result in a Federal Participation rate of 65% for eligible projects, instead of the 90% used for interstate project, or 80% for other non-interstate projects.

The State Highway Fund is used to fund land transportation projects and programs in the State of Hawaii. The four primary revenue fees for the Highway Fund are the gas tax, rental car surcharge tax, vehicle weight tax, and vehicle registration fee. The State Highway Funds used by the Highways Division fall under the Capital Improvement Program, Special Maintenance Program, and Routine Maintenance Program. In Act 86 and 162, SLH 2012, the vehicle weight tax and registration fees were increased. However, this was offset by declining gasoline tax revenues due to reduced driver fuel consumption.

8. **Leadership**

- **Increase the level of accountability of personnel both on and off the job.**
- **Provide increased opportunities for training and sufficient equipment allowing personnel to be successful.**
- **Implement policies that demonstrate commitment to transparency, ethics and strict compliance with regulations, policies and procedures.**
- **Promote open communication between management and rank and file employees.**

Achieve full compliance with procurement training requirements for staff delegated with procurement authority to approve, review, conduct or participate in procurement actions.

Timeline: Ongoing. Employees with delegated authority to approve, review, conduct or participate in procurement actions have either attended or continue to attend core mandatory courses as such courses become available.

Measures used to gauge effectiveness - 100% attendance to mandatory courses; no procurement violations.