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IN REPLY REFER TO:

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

December 24, 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 a 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 2015

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 two (942) 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.

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 modes 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) Mauka Concourse Program: Construction of a new Mauka Concourse which will provide additional gates to accommodate 6 wide body, 11 narrow body, or a combination of wide and narrow body aircraft.

   Timeline: October 2011 to April 2019
   Milestones: Year 1 - Complete Environmental Assessment (EA).
   Year 3 - Complete Design.
   Year 8 - Complete Construction.
   Measures used to gauge effectiveness – Design and construction on time within budget. There have been delays due to the economic downturn, completion of the EA study and contract formulation issues.

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

   Timeline: 2013 - 2020
   Milestones: Year 1 - HNL and OGG: complete design.
   Year 1 - HNL - traffic handling systems – upgraded elevators, added traffic signals.

Year 3 - HNL - opened interim facility on November 4, 2015. The commencement of operations at the interim facility clears the way for construction of the permanent facility.
Year 4 - OGG - commence construction January 2016.
Year 4 - HNL - commence construction June 2016.
- LIH - Negotiate land purchase.
Year 6 - OGG - complete construction.
Year 7 - HNL - complete construction.
Year 7 - Possible start of Lihue facility.
Measures used to gauge effectiveness - Design and construction on time within budget. Delay for OGG due to bid protest issues.

Kona International Airport Federal Inspection Station (FIS): Design facility to meet U.S. Department of Homeland Security, Customs and Border Protection (CBP) technical design standards (Construction dependent on 2017 appropriation).

Timeline: January 2016 to December 2016
Milestones: Year 1 - complete design.

CBP Automated Passport Control (APC) Kiosks at International Arrivals Building, Honolulu International Airport: In coordination with CBP, install 32 APC kiosks in the Federal Inspection Station (FIS), International Arrivals Building, Honolulu International Airport. The use of these self-service kiosks at other international arrivals airports has been proven to be effective in reducing the wait time and congestion for returning U.S. citizens and international travelers, who qualify for and receive approval under the Electronic System for Travel Authorization (ESTA). The technology used in these kiosks automates the routine checks with the highest level of protection and allows the CBP inspectors to focus on passenger assessment and not reviewing documents (passport, fingerprints, and declaration cards). In the interim until civil service positions can be established and filled, a request for contractor services has been submitted for approval to allow bilingual staff to identify, qualify and encourage international arriving passengers to use the APC kiosks to further reduce the wait time and congestion at the FIS.

Timeline: Install by January 2016.
Milestones: Year 1 - January 2015 - Issue Notice to Proceed to the lowest responsive and responsible proposal to install the 32 APC Kiosks at the FIS, as well as to acquire the contractor services for

bilingual staff to assist returning U.S. Citizens and international passengers with the automated process.
Year 2 - January 2016 - The Airports Division, the Airport District Manager at HNL and CBP will monitor the process, collect wait time data, and evaluate contractor services of the bilingual staff to ensure that they meet their contractual obligations. A supplemental budget request will be submitted to the 28th Legislative Session 2016 for funding to establish and hire bilingual Visitor Information Program (VIP) Assistants to replace the contractor staff.
Year 3-5 - January 2017 to 2019 - Upon approval from the 2016 Legislature, establish and recruit for new bilingual VIP Assistant positions. Continue to monitor the use of the APC Kiosks, gather wait time data, evaluate the reduction of congestion, obtain feedback from CBP and airlines as well as travelers to assess the program. Adjustments will be made to improve the entire process without jeopardizing security.
Measures used to gauge effectiveness - Determine the use of the 32 APC kiosks, evaluate the reduction of wait time and passenger congestion at the FIS and the performance of the bilingual contractor staff. Feedback from airlines, CBP, and staff to measure the effectiveness of the program.

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 State of Hawaii DOT- 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. The program was named *Operation Staying Alive*. Thousands of DOT-A employees and airport users were trained on 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. This is more

than 10 times that of our community survival rate from cardiac arrest.

Timeline: Continuous.

Milestones: HDOT-A tenants and First Responders certified in CPR and AED application

Year 1 - January 2010 The Airports Division installed 25 additional Automated External Defibrillators (AEDs) to expand the program to all state-run airports-13 airports, on 6 islands.

Year 2 - January 2011 The Airports Division conducted training to over 5,000 airport employees, vendors, and concessionaires, who took part in learning how to save a life with CPR and using an AED.

Year 3 - January 2012 The Airports Division's Aircraft Rescue Fire Fighter (ARFF) crews became CPR instructors and began offering CPR classes to community members at each airport fire station.

Year 4 - January 2014 The Airports Division installed new equipment to replace the older AEDs. The life expectancy of an AED is 5-8 years. Emphasis was placed on a compatible AED for both the PAD and ARFF AED Programs.

Year 5 - January 2015 - The Airports Division will train and retrain airport employees, concessionaires, and airport users to the simple steps of CPR and using an AED.

Mass Casualty Plan: Effective cooperation among Airports and Local and Regional Emergency Management Agencies for Disaster Preparedness and Response highlights the vital resources and functions. In pre/post possible disasters leading to mass casualties, the Airports Division programmed and purchased Emergency Medical Trailers for Hilo International Airports, Kona International Airport at Keahole, Kalaeloa Airport and Honolulu International Airport. A 50-bed Portable Hospital, complete with training package for Honolulu International Airport (Category X airport) was also purchased. In 2015, HDOT-A purchased one each Emergency Medical Trailers with equipment for Kapalua Airport, Molokai Airport and Lanai Airport.

Although the safety of passengers, employees, tenants, and communities is the main focus, airports can benefit from the special skills and capabilities of Emergency Management agencies in such areas as contracting, procurement, multi-agency coordination, NIMS and ICS Training, access to federal homeland security and emergency management funding

(limited), communications and the hotel industry evacuation and sheltering planning.

Timeline: Continuous.

Milestone: Year 1 – January 2015 The Airports Division purchased one each Emergency Medical Trailers with equipment for Kapalua Airport, Molokai Airport and Lanai Airport.

Measures used to gauge effectiveness:

- Continuous personnel training, annual exercises, and validation by FAA Triennial Exercise
- Staff and First Responders trained in the Airport Emergency Medical Trailer equipment and usage. This includes the Airport Emergency Plan for each airport
- Relationships, structures, and systems (formal and informal) in place among airports and Emergency Management agencies
- Methods for airport operators to coordinate and collaborate with local, state, and federal agencies with jurisdiction at airports during a major disaster
- Potential solution for addressing unique issues and challenges for airport operators during disasters (e.g., local practices, regulatory limitations such as revenue diversion, jurisdictional issues, operational complexities, airport capacity)
- Expansion of Mutual Aid Agreements that address critical infrastructure, shaping and managing relationships between county, state and federal first responders.

Statewide Incident Command System: Incident Command System Training provided is a continuous project and 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 is being provided at all levels for the airports by qualified instructors. Certain higher level NIMS ICS courses exceed the backgrounds of all current DOTA personnel and require FEMA certified instructors to deliver the certification training required. A comprehensive tracking system is established to help DOT-A

track all training. FAA since 2013 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: The primary training requirement related to airport Emergency Management collaboration is the combination of NIMS and ICS training. The main determinant of drill and exercise schedules involving airports are the requirements of 14 CFR 139 for an airport to remain certified for commercial passenger operation. The minimum requirement is that airports conduct annual reviews of their AEP and a tabletop exercise with a full scale functional exercise ("recertification or triennial exercise") once every three years. Triennial exercise includes a mass casualty component. Overall benefits to each airport operator in terms of operational sustainability or resiliency from concerted collaboration amongst the Emergency Management partners, airlines, other agencies, and first responders.

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 numerous airports during each year of the previous contract as the various districts conducted FAA required triennial and other preparedness exercises. This entire evaluation process is on-going and is directly tied to continuous exercise and validation of current Airport Emergency Plans providing for continuous identification of weak areas that need improvement and Improvement Plans that provide the framework for improving training, exercising, and validating current

emergency practices at each District.

Timeline: Continuous.

Milestones: Triennial Exercise for each Part 139 Certificated Airport.

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 on-going revisions based on exercise performance in validating the revised AEPs of all Districts that were concluded in June, 2013. 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: Wildlife management continues to be forefront issues for each airport. Title 14 Code of Federal Regulations Part 139.337 mandates each airport operator to provide a safe environment for all users, and wildlife around an airport can be detrimental to the safety of aircraft and passengers. Conversely, each airport operator is subject to a variety of federal and state laws and regulations aimed at protecting wildlife and their habitats. DOT in coordination with Federal Aviation Administration, US Fish and Wildlife Services, DLNR and USDA must factor into an airport's wildlife management plan, policies and procedures. These plans must also take into account the laws and regulations protecting wildlife. In addition, the airport operator must take into consideration surrounding land capability with airport operations. Knowing and understanding these regulations and laws is the first step in compliance.

The U.S. Department of Agriculture Animal and Plant Health Inspection Service Wildlife Service 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 on 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.
- Identification of wildlife species observed and their numbers, locations, local movements, and daily and seasonal occurrences.
- Identification and location of features on and near the airport that attract wildlife.
- Description of wildlife hazards to air carrier operations.
- Description of wildlife strikes during the year.
- Discussion of any significant modifications on or near the airport property.
- Summary of Air Traffic Control and airport "event logs" or wildlife management, patrol, monitoring logs.
- Summary of Federal and State Depredation Permit us; Special Permit usage.

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 the Airports Division, Oahu District, Kauai District, Maui District, Kalaupapa Airport, Kona District, and Hilo International Airport. The Mitsubishi units are located at Kalaupapa Airport, Hana Airport, Waimea-Kohala (Kamuela) Airport, Molokai Airport, Lanai Airport, and Kapalua Airport. These sets are no longer produced and the company that provided maintenance for them no longer provides that service. As the older systems cease to function, they are not repairable. Thus, the older sets must be replaced with additional IRIDIUM units as the most cost-effective option.

Timeline: Continuous

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

Nene Goose Relocation Plan: The Federal Aviation Administration, the U.S. Department of Agriculture Wildlife Services, and the Hawaii Department of Land and Natural Resources worked collectively to reduce the number of Nene Goose through the successful relocation of approximately 400 birds to various islands. These agencies goal is to manage wildlife at the airports and resolve the management of wildlife protected under the Endangered Species Act. One of the goals in the multi-agency collaborative effort is to find a long term solution that addresses USFWS concerns with respect to the incidental taking of wildlife at HDOTA airports. In 2016, these agencies are working to introduce "Nene Hazing" to prevent the return of birds and reestablishment of habitat on Kauai adjacent land areas to Lihue Airport.

DOFAW 2014 report on the Proclamation's Nene Relocation Plan stated that "…it is essential that a shift in operations be implemented to prevent all returning birds from establishing nests at the site." And "…that failure to prevent any further breeding may result in breeding birds being present at the site after the expiration of the Governor's Proclamation in April 2016, presenting significant legal implications and challenges." In otherwise we will be right back where we started with 600 birds on site.

Timeline: Federal Fiscal Year 2012 to 2017

Measures used to gauge effectiveness - The number of Nene's spotted at KLR or near the airport terminal. Continuous cooperative effort amongst USFWS, FAA, DLNR and DOT. Henceforth DLNR Wildlife Biologist will assume the overall responsibility to monitor the Nene Goose population and work with Kauai Lagoons Resorts (KLR) landowner and USFWS to allow USDA to conduct Nene "Hazing" to deter further habitat adjacent to airport land.

Airport Rescue Fire Fighting (ARFF) Training Facility: This project will construct a regional ARFF training facility at Kona International Airport at Keahole, 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. Key components

include Full Scale Specialized Aircraft Fire Trainer (SAFT), Fuel spill Trainer, Control Tower, Structural Trainer, and a variety of props. The main purpose is to design and construct a world-class ARFF and emergency response facility that fully meets end user goals, to be financially self-sustaining, and to provide academic and practical training for ProBoard Certification.

Timeline: Continuous. Design completion thru September 2016, Construction Notice to Proceed anticipated July 2017, 12-15 month construction duration with an anticipated completion by end of 2018.

Measures used to gauge effectiveness - Continuous personnel training, field evaluation by FAA Certification Inspector and to standardize the training to meet national certification criteria offered throughout the State.

Safety Management System (SMS): Under Part 139, airport operators are required to collect and retain a variety of information, such as training records, fuel spill data, self inspections, and airport condition reports. Airport operators also compile and document emergency, wildlife hazards, and develop stand-alone plans referred to within the airport certification manual (ACM). This information is subject to review by FAA airport certification safety inspectors (ACSI) to maintain the airport operating certificate (AOC).

SMS is becoming a standard throughout the aviation industry worldwide. It is recognized by the Joint Planning and Development Office (JPDO), International Civil Aviation Organization (ICAO), and civil aviation authorities (CAA) and product/service providers as the next step in the evolution of safety in aviation. SMS is also becoming a standard for the management of safety beyond aviation. Similar management systems are used in the management of other critical areas such as quality, occupational safety and health, security, environment, etc.

SMSs for product/service providers (certificate holders) and regulators will integrate modern safety risk management and safety assurance concepts into repeatable, proactive systems. SMSs emphasize safety management as a fundamental business process to be considered in the same manner as other aspects of business management.

By recognizing the organization's role in accident prevention, SMSs provide to both certificate holders and FAA: (1) structured means of safety risk management decision making; (2) A means of demonstrating safety management capability before system failures occur; (3) Increased confidence in risk controls though structured safety assurance processes; (4) An effective interface for knowledge sharing between regulator and certificate holder; and (5) A safety promotion framework to support a sound safety culture.

Timeline: Continuous.

Milestones: SMS Assessment Protocol Framework

- GAP Analysis
- Safety Management Plan
- Documentation
- Safety Oversight
- Training
- Quality Assurance

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 intends 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 2016

Milestones: 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 do the training in-house in a new facility to be constructed in Kona.

Timeline: Continuous.

Milestones: 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 have completed the final statewide Interoperable Radio

Communications P25 flash upgrades leveraging the State Shared Blended System commonly referred to as the SSBS. The State Shared Blended System is the radio network fabric that allows all rural and major airports to communicate amongst them statewide during an emergency. This gateway allows emergency dissemination while at the same time allowing State, and Federal responders the ability to interoperate with all airports during an emergency using a select interoperable talk group. We are currently in the process of finalizing an emergency communications protocol incorporating the SSBS radio network. Discussion and meetings are ongoing with all airport management staff to come up with an acceptable emergency communications protocol.

In summary, each airport is provided with a dedicated radio base station with subscriber handhelds. We will be testing the system on a weekly basis and utilize the SSBS interoperability system in all of our Triennial exercises.

The Airports Statewide Interoperable Radio Communication Plan includes purchasing and upgrading our 800 MHz land mobile radio system, establishing channels and talk groups, and evaluating our operational readiness strategy plan. We are currently requesting MOU's with local county governments to allow interoperable access to their newly installed Phase II P25 trunking systems.

Timeline: Continuous.

Measures used to gauge effectiveness – Enhancing and expanding our newly seeded statewide radio communications interoperability requirements throughout DOT-Airports. Continuous personnel training, equipment maintenance and validation by exercise task, evaluation by State Civil Defense. To maintain a reliable and effective interoperable emergency communications plan, all legacy radio infrastructure and subscribers are being evaluated and budgeted for replacement to the P25 platform. At this time the HNL International airports 23 year old legacy Smartnet core radio infrastructure system is being prioritized due to the lack of replacement parts.

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 – 2013? Complete Construction for HNL.
Year 2 - 2014 Completed Construction for OGG, LIH, and HNL.
Year 3 – 2014 HNL and OGG Access Controls scheduled to cut over. KOA and ITO Access Controls and CCTV to bid in early 2016.
Measures used to gauge effectiveness – Construction on time within budget.

4. **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 - 2015 The Office of Personnel, Department of Transportation is working with the Airports, Harbors, and Highways Divisions in implementing a pilot project to centralize all personnel offices and functions to improve effectiveness and efficiency.
Year 3 - 2016 Implement the centralization of personnel offices and personnel programs.
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.

5. **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.**

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

Timeline: Continuous
Milestones: Year 1 - Complete Procurement (Dec 2013).
Year 2 to 3 - Complete Construction (Dec 2015).
Measures used to gauge effectiveness - savings of as much as 49% of current kilowatt hour usage.

6. **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.
f. Meet with rating agencies and bond issuers, to maximize borrowing.

The Airports Division's bond ratings were upgraded by Moody's Investors Service (A2 to A1 with a stable outlook) and by Standard & Poor's Ratings Services (A to A+ with a stable outlook). In addition, Fitch Ratings maintained the Division's A rating, but improved the bond outlook from stable to positive.

The rating agencies cited the Airport System's monopoly of commercial air travel, continued strength in financial performance and strong passenger growth trends as major factors. The Airports Division will realize lower borrowing rates for current and future bond issues, which would enable the Airports Division to continue working with the airlines to improve airport facilities and enhance the overall passenger experience.

The ratings were announced just prior to the Airports Division's first revenue bond issuance since 2011, which will fund $250 million for the next phase of the Airports modernization program, which was completed in November 2015. Continue updating rating agencies to maintain credit ratings and obtain possible upgrade from Fitch. Prepare for future bond issuances.

Timeline: Continuous.

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 1,127 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 a 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 acquired the services of an independent appraiser to conduct a statewide appraisal in 2016 with the fair market value rates effective January 1, 2017. Process will be repeated in 2019, with rates applied January 1, 2020.

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.
Year 3 - January 2015 - Developing a database on recent years' activity, number of participating drivers, fees charged (if any), and areas available for staging of vehicles. Information will be necessary for potential managers to understand the scope of activities the concessionaire will have to provide, level of staffing necessary and what they are prepared to bid for the concession opportunity. Based on completeness of the database, concession agreements to be issued.
Year 4 - January 2016 - Begin public process for issuance of concession.
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. Timelines being established for rolling concession offerings at each of the airports. Such timelines will help insure broad response to the solicitation.
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 Wi-Fi and Advertisement Concessions at 5 major airports:

Wi-Fi Concession
Timeline: Continuous (5-years from date of award).
Milestones: Year 1 - January 2015 - A Request for Proposal for installation, operation and maintenance of a free WiFi Systems Concession at Honolulu International Airport, Kahului Airport, Kona International Airport at Keahole, Hilo International Airport, and Lihu'e Airport was published on . The Proposal Review Committee will be meeting to identify and invite responsive proposer(s) to negotiate a concession agreement.
Year 2 - January 2016 - The Review Committee will continue the process to 1) identify the most responsible and responsive proposal, if any, and 2) to negotiate and award a concession agreement.
Year 3 - January 2017 - Monitor performance of the system and revenue generation from the concession.
Year 4 - January 2018 - Monitor performance of the system and revenue generation from the concession.
Year 5 - January 2019 - Monitor performance of the system and revenue generation from the concession.
Measures used to gauge effectiveness - Amount of WiFi free service offered by the concessionaire, comments

from users, requests for additional space, and increased revenues for the State.

Advertising Concession
Timeline: Continuous (5-years from date of award).
Milestones: Year 1 - January 2015 - The Airports Division began the process of developing of an Advertising Concession Agreement. After evaluating the various options for issuing the concession, it was decided that separate Request for Proposals for Installation, Operation and Maintenance of an Advertising Concession 1) at Honolulu International Airport (HNL) and 2) at Kahului Airport, Kona International Airport at Keahole, Hilo International Airport, and Lihu'e Airport (Neighbor Island Airports), to include the existing brochure and pamphlet racks at the airports. The Requests for Proposals were issued on November 23, 2015, under DOT-A-15-0021 for HNL and under DOT-A-15-0022 for the Neighbor Island Airports.
Year 2 - January 2016 - The Airports Division will continue the process to identify the most responsible and responsive proposal, if any, to negotiate and award a concession agreement. Once the concession is issued, the Airports Division will monitor both the service provided by the concessionaire and the revenues generate by the Concession in compliance with the terms and conditions of the agreement. The Airports Division, if appropriate and necessary will negotiate with the Concessionaire to amend the agreement to enhance service or revenues.
Year 3 - January 2017 - Monitor 1) the amount and type of advertising and 2) revenue generated from the concession.
Year 4 - January 2018 - Monitor 1) the amount and type of advertising and 2) revenue generated from the concession.
Year 5 - January 2019 - Monitor 1) the amount and type of advertising and 2) revenue generated from the concession.
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.

Extensions of Concession Agreements

Act 46, Session Laws of Hawaii 2012, as extended by Act 126, Session Laws of Hawaii, 2014, allowed the DOT to extend the terms of existing Concession Agreements, provided that the Concessionaire agreed to make revenue enhancing improvements to the airport concession. Ten Concession Agreements were extended under the provisions of the acts. The concessions agreed to construct almost $88 million in improvements at the airports. In general, the Concessions pay the DOT the greater of a minimum annual guaranteed fee or a percentage fee. As part of the agreements, the Concessions collectively increased the guaranteed revenues to the DOT by approximately $90 million over the term of the extensions.

Timeline: Continuous.

Milestones: Year 1 – July 2015 - The Airports Division has extended the Concession Agreements and will monitor its progress.

Year 2 - 2016 – Monitor the improvements and revenue generated.

Year 3 – 2017 - Monitor the improvements and revenue generated

Year 4 – 2018 - Monitor the improvements and revenue generated.

Year 5 – 2019 - Monitor the improvements and revenue generated.

Measures used to gauge effectiveness - determine if the improvements made generated the estimated revenues.

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.

Milestones: Year 1 – 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. In 2015 the Airports Division received funding and established five (5) Property Manager positions to be located at the five (5) major airports.
Year 5 - January 2016 – When each of the vacant positions are filled, each Property Manager will conduct an on-site assessment at their respective airport to determine the status of each and every agreement and develop an Action Plan to ensure proper increases in rent, percentage rent, extensions and payments are being made in a timely manner. Monitor the activities of the Property Managers as per their Action Plan and improve on the database.
Measures used to gauge effectiveness – Minimal complaints, efficient and timely service, and maximum revenues for the State will be assessed and documented in their individual Performance Appraisals.

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. A public hearing is being scheduled to increase the non-signatory rates in accordance to HRS §261-7(e).

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. On-going.
Year 2 - January 2013 The Working Group will monitor each new policy to ensure that its intended objective and purpose is being met. On-going.
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 Office of Personnel, Department of Transportation is working with the Airports, Harbors, and Highways Divisions in implementing a pilot project to centralize all personnel offices and functions to improve effectiveness and efficiency.
Year 5 - 2016 The Office of Personnel will monitor each of the various indicators to determine if they are meeting its intended objective and purpose.
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 - The Office of Personnel, Department of Transportation is working with the Airports, Harbors, and Highways Divisions in implementing a pilot project to centralize all personnel offices and functions to improve effectiveness and efficiency.

Year 5 - 2016 The Office of Personnel will monitor each of the various indicators and conduct a cost benefit analysis as well as to determine if they are meeting its intended objective and purpose.

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 - On-going. Evaluate the effectiveness of their audit and monitor the corrective actions by the Districts. This is an on-going 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.

Various confidential audits are currently in progress.
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 the Oracle Unifier Project Management Application: The Oracle Unifier 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 5 - 2016 Complete development of O&M 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 - 2015 During this period the Training Officer from the Office of Personnel, Department of Transportation has conducted training on the Performance Appraisal System (PAS) to various DOT offices in the State of Hawaii. We will continue to administer training and monitor the issuance and completion of both PAS and EMCP documents to all DOT employees in a timely manner.
Year 4 - 2016 Continue to administer and monitor training on PAS and EMCP.

Year 5 - 2017 Continue to administer and monitor training on PAS and EMCP. Conduct an evaluation and make recommendations on the effectiveness to determine if leadership traits and skills were recognized, utilized and rewarded and improvements goals were set. **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 attainable goals in meeting near term and long term objectives. The following are the DOTA's Mission and Vision Statements, Core Values and Strategic Goals as well as some leadership aspects of the plan that are being introduced. All are either implemented or on-going, revised or not yet implemented:

- Core Values (Resourcefulness, Commitment, Teamwork and Integrity)
- Mission statement - "We provide an Airports System that reflects the unique spirit of Aloha and connects Hawaii to the world"
- Vision statement - "An Airports System that is the Pride of our State"
- Our 4 strategic Goals are:
  - #1 - Develop, maintain and operate sustainable facilities to exceed customer expectations.
  - #2 - Optimize alignment between DOTA needs and State operating framework.

#3 - Achieve organizational success through teamwork.
#4 - Enhance Financial strength and diversify revenue sources.

LEADERSHIP ASPECTS

a. Increase the level of accountability of personnel
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. Conduct regular meetings of the Executive Steering Group (all Airport District Managers and Branch Heads) to collectively discuss critical issues, and possible and best solutions and status of our many projects.
f. Creation of Ad Hoc Committees to address critical issues. The committee, (comprising of all key SMEs and some decision makers) identifies the problem(s), finds out what the cause(s) are and arrives at possible and best solutions moving forward.
g. Conduct regular meetings with the local and regional Federal Aviation Administration representatives on compliance issues as well as Airport Improvement Program grant funding.
h. We have worked with the State's Ethics Commission to conduct mandatory Ethics Training for our personnel.
i. 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" as well as how to understand Hawaii's unique culture when doing business and working with people.
j. Continue the effort to ensure that all projects are on schedule and all Federal grant funds associated with these projects are expended in a timely manner.
k. Establishment of a team approach for determining which projects are included in the CIP budgets. We have

provided the Airport District Managers more of a voice in this process.

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 revise accordingly and track the accomplishments.

Year 3 - 2015 Continue to implement plan as well as implement additional objectives. The 28th Legislative Session, 2015 State of Hawaii, passed Senate Resolution (S.R.NO. 129) which urges the Department of Transportation to develop a plan for the establishment of a Port Authority for Airports and Harbors. DOT Director Fuchigami is seeking approval from Governor Ige to acquire services to provide Management Advisory Services concerning a study about the establishment of a Port Authority for the Department of Transportation.

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. EIS to be initiated within a year of completion
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.

Honolulu Harbor 2045 Master Plan update, Oahu

Timeline:
Year 1 milestones: Develop a comprehensive scope of work for the 2045 Master Plan to provide strategic guidance for the future development of the harbor and to address the increasing demand for available harbor lands for cargo handling and distribution, as well as utilizing underperforming backlands and lands under Aloha Tower Development Corporation to provide additional sources of revenues to offset the costs of Harbor improvements statewide.
Year 5 milestone: Complete the Master Plan document. EIS to be initiated within a year of completion
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 (landside), 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 4 Inter-Island Cargo Terminal (waterside), Hilo, Hawaii

Timeline:
Year 1 milestones: Construction is scheduled to begin for Pier 4 in Hilo Harbor.
Year 2 milestones: Complete construction of Pier 4 waterside improvements.
Year 5 milestones: Complete 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.

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.

Conduct comprehensive fire-fighting services feasibility and use study for Honolulu and Kalaeloa Barbers Point Harbors to determine need to replace fire-fighting services previously provided by the Honolulu Fire Department.

Timeline:
Year 1 milestones: Assess scope of hull repairs needed on the existing fireboat to put back into service and

conduct a needs assessment and determine the parameters for the new model to provide fire-fighting services.
Year 2-3 milestones: If determined to be feasible, develop detailed specifications and procure fire-fighting services under the new model.
Year 5 milestones: Full implementation of a new fire-fighting services model or policy requirement for smaller vessels.
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. Utilize the Kapalama Container terminal, when possible, by initiating operational efficiency in the movement of cargo such as revitalizing Road 2, an interior road to divert truck traffic from lower Kalihi. 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: 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.
Year 2 milestones: Complete a pilot project to replace high pressure sodium light fixtures with LED high mast light fixtures at seven light pole locations to demonstrate energy savings and difference in lighting while maintaining dark sky compliance. As most container/cargo yard users directly pay Hawaiian Electric for their electricity costs, legislative appropriations must also be approved by the 2016 Legislature to enable the division to assume the electricity payments so that it is able to enter into an energy savings contract with Johnson Controls to provide guaranteed energy savings to finance the projects.
Year 5 and up milestones: Monitor effectiveness and costs savings
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 Harbor Modernization 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 CIP 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 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: DOT and PSD enter into a memorandum of agreement to address training and professional conduct.
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 941.7 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 21.2% of the total centerline miles of roadways, the State Highway System carries approximately 56% of the total 10.1 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**
  - Manage transportation assets and optimize investments.
  - 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 in the fall of 2016.

Measures used to gauge effectiveness – Improved safety and roadway rideability without recurring potholes and loose gravel from the unraveling of the pavement.

Oahu Highways, Interstate Routes H-1, H-2, and H-201 Destination Sign & Structure Upgrade / Replacement, Phase II: This project is the 2nd to bid within the destination sign & structure upgrade / replacement program. It involves the replacement and/or upgrade of existing freeway destination signs, sign lighting conduits, sign structures, and related safety upgrades, to convey more legible information to motorists, and provide improved safety and user satisfaction. Due to the increased reflectivity of the sign material, lighting is not necessary at this time; however, if it is required in the future, the new structures will have the capacity to provide it.

Timeline: Advertisement of this project is currently scheduled for the first quarter of calendar 2016.

Measure used to gauge effectiveness – Decreased energy and maintenance costs for the Division and improved safety for motorists.

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 of this project is currently scheduled for summer, 2016.
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, Kohala Mountain Road Drainage Improvements, Vicinity of Milepost 10.60: This project involves construction of drainage facilities to alleviate runoff from the roadway and reduce erosion within the highways right-of-way and adjacent areas. These drainage improvements will provide a safer highway during heavy rainfall by reducing runoff and overtopping of the roadway. Also, by reducing erosion, there will be less pollution of state waters.
Timeline: Advertisement for this project is currently scheduled for summer, 2016.
Measures used to gauge effectiveness - Reduction of runoff and erosion during heavy rainstorms.

Maui Highways, Kuihelani Highway Resurfacing, Honoapiilani Highway to Puunene Avenue: This project involves the resurfacing of this stretch of Kuihelani Highway on Maui in order to extend its service life.
Timeline: Construction contract awarded July 23, 2015. Notice-to-Proceed issued for November 6, 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: Project to open bids for construction on November 19, 2015.
Measures used to gauge effectiveness - Travel access between central Maui and West Maui will be maintained.

Kauai Highways, Kuhio Highway Resurfacing, Vicinity of South Koolau Road to Kapuna Road: This project involves

the resurfacing of this stretch of Kuhio Highway on Kauai in order to extend its service life.

Timeline: Construction contract awarded July 27, 2015. Notice-to-Proceed issued for November 11, 2015.
Measures used to gauge effectiveness – Improved roadway rideability without recurring potholes and loose gravel from the unraveling of the pavement.

Kauai Highways, Kaumualii Highway, Bridge No. 7E Rehabilitation: This project involves the rehabilitation of the existing bridge to provide a more efficient facility for residents and visitors of the area.

Timeline: Advertisement for this project is currently scheduled for fall, 2016.
Measures used to gauge effectiveness – Improved safety by meeting federal and state standards for structures.

- **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 7th year of operation. A project to add a host of new cameras and Dynamic Message signs on the H-1 Freeway is currently under construction.

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.

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 contract awarded July 22, 2015. Notice-to-Proceed issued October 14, 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.

Hawaii Highways, Queen Kaahumanu Highway Widening, Phase 2, Kealakehe Parkway to Keahole Airport Road: This project will widen Queen Kaahumanu Highway from two lanes to a four-lane divided highway, which will increase vehicular capacity and operational safety of the facility in order to accommodate current and future travel demands in the area.

Timeline: This design-build contract was issued Notice-to-Proceed on July 8, 2013 and is currently estimated to complete construction in the fall of 2017.

Measures used to gauge effectiveness – Improved Level-of-Service for motorists traveling through this section of Queen Kaahumanu Highway, and ability to meet current and future capacity needs.

Maui Highways, Honopiilani Highway Widening/Realignment (Lahaina Bypass): Phases 1A and 1B-1 have completed construction, and the third phase, Phase 1B-2, will be let

as a design-build project. This phase will design approximately 2.7 miles of a 4-lane divided highway from Hokiokio Road and extend south to Honoapiilani Highway near the Launiupoko and Olowalu County line (in the vicinity of the former Olowalu landfill), to meet the traffic demands of an area transitioning from rural to urban conditions. Under this phase, two of the four lanes will be constructed.

Timeline: Phase 1B-1 is anticipated to advertise in the spring of 2016.

Measures used to gauge effectiveness – Improved Level-of-Service for motorists traveling through this section of Honoapiilani Highway.

Kauai Highways, Kuhio Highway, Short-Term Improvements, South Leho Drive to Aleka Loop:
This project will add an additional southbound lane along Kuhio Highway from Kuamoo Road to the Temporary Bypass Road, providing additional capacity in this congested segment of Kuhio Highway.

Timeline: Advertisement for this project is currently scheduled for summer, 2016.

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, Leeward Bikeway, Phase I: The Leeward Bikeway will feature a 13 mile shared use path for bicyclists and pedestrians from the vicinity of Waipio Point Access Road to Lualualei Navel Road, providing a key component in the development of an east-west bicycle commuter network. This Phase I project will construct a path from the Hawaii Railway Society Train Station to Waipio Point Access Road, providing a safe alternative to riding along Farrington Highway and will serve as a recreational facility for the growing neighborhoods of Leeward Oahu.

Timeline: Currently scheduled for construction advertisement in the summer of 2016.

Measures used to gauge effectiveness - Improved safety for bicyclists and pedestrians for those traversing this area.

Hawaii Highways, Keaau-Pahoa Rd. Shoulder Lane Conversion: The Keaau-Pahoa Road Shoulder Lane Conversion, Keaau Bypass Road to Shower Drive, provides an additional lane in the

(Hilo-bound) direction, as well as a shoulder that pedestrians and bicyclists can utilize.

Timeline: Construction of the first phase, widening the Pahoa-bound shoulder to provide a traffic lane during the P.M. peak traffic hours, is significantly complete, and construction of the second phase, to construct intersection improvements at Shower Drive and Keaau-Pahoa Road, is currently scheduled for advertising in the spring of 2016.

Measures used to gauge effectiveness - Improved Level-of-Service for motorists on Keaau-Pahoa Road during the P.M. peak traffic hours.

Maui Highways, Honopiilani Highway Widening/Realignment (Lahaina Bypass): This project, included in a section prior to this, is also being included in this "Transportation access mobility and modal integration" section, as its implementation includes multiple benefits, including the provision of bicycle facilities.

Timeline: As mentioned previously, Phases 1A and 1B-1 have completed construction, and the third phase, Phase 1B-2 will be let as a design-build project. Current anticipated advertisement is in the spring of 2016.

Measures used to gauge effectiveness – Improved Level-of-Service for motorists traveling through this section of Honoapiilani Highway.

Kapule Highway / Rice Street / Waapa Road Improvements and Nawiliwili Bridge Replacement, Kauai: This project will strengthen and/or widen the existing Nawiliwili Bridge, and improve the roadway approach to the bridge, in order to accommodate heavier vehicles currently unable to cross over the bridge, saving hauling time and costs to the public. It will also provide ADA compliant pedestrian facilities for residents and visitors of the area.

Timeline: Consultant design services are currently being procured, with estimated construction in fiscal year 2020.

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

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, Kamehameha Highway Safety Improvements in the Vicinity of Kahana Valley Road to Kaaawa Bridge: This project involves low-cost safety installations, including rumble strips, guardrail, bridge railing & end post upgrades, signage, and pavement markings.

Timeline: Currently scheduled for construction advertisement in winter of 2015.

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

Oahu Highways, Interstate Route H-1, Guardrail and Shoulder Improvements, Middle Street to Punchbowl Street: This project includes the installation and/or upgrading of guardrails, connections, railings, terminals, attenuators, and shoulder improvements to bring roadside appurtenances into compliance with Federal Highway Administration policy requirements.

Timeline: Currently scheduled for construction advertisement in spring of 2016.

Measures used to gauge effectiveness - Improved safety by meeting current guardrail standards.

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 fall, 2016.

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

Hawaii Highways, Mamalahoa Highway Safety Improvements, Milepost 3.9 to Milepost 6.9: This project 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: Advertisement for construction is anticipated in summer, 2017.

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

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: Advertisement for construction is anticipated in summer, 2017.

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

Maui Highways, Honoapiilani Highway Safety Improvements in the Vicinity of Kapoli Street to Papalaua Beach Park: This project involves low-cost safety installations, which include shoulder and centerline milled rumble strips; shoulder stabilization; and signing, to provide a safer roadway environment for all users of this facility.

Timeline: Advertisement for construction is anticipated in fall, 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: Advertisement for construction is anticipated in fall, 2017.

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. The fourth round of Call for Applications to award remaining SRTS federal funds obtained under SAFETEA-LU was issued in July 2015, with applications due in December 2015. ~~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. In accordance with Chapter 19-109 of the Hawaii Administrative Rules, funds from the SRTS program special fund are distributed to counties annually to support county-level SRTS programs. ~~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: A December 22, 2014 Notice-to-Proceed with construction date was issued. Anticipated completion date is November, 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: A January 16, 2015 Notice-to-Proceed with construction date was issued. Anticipated completion date is December, 2015.

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

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: An April 13, 2015 Notice-to-Proceed with construction date was issued. Anticipated completion date is January, 2016.

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.

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 recently entered into an energy savings performance contract which we anticipate will result in a 43.3% energy savings or approximately $4 million savings in our operating costs per year for our Division. The contract includes conversion of our existing facility lighting to LED statewide, conversion of our existing highway lighting for Oahu and Maui Districts to LEDs, installation of PV systems statewide, and air conditioning replacements and controls statewide.

DOT has also worked with the County of Hawaii to convert our highway lighting on the Island of Hawaii to LEDs and also with the Kauai Island Utility Cooperative (KIUC) to convert our lighting on the Island of Kauai to LEDs.

Timeline: Work complete by July 2017.
Measures used to gauge effectiveness - Cost savings achieved through the above-mentioned energy saving measures.

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; then passed Public Law 114-41 to further extend funding until October 29, 2015; then recently, another 3-week extension until November 20, 2015. On November 4, 2015, the U.S. House of Representatives approved a proposed six year bill with three years of funding. Under the assumption that the U.S. Senate and President approves this new bill by November 20, 2015, the anticipated annual funding level for the highway program nationwide will be approximately $57 billion; as compared to $51.5 billion average provided under MAP-21. The Highways Division will assume that federal funding provide to Hawaii will remain similar, or possibly increased slightly from the amount received in 2014, however it should be noted that federal funds are apportioned to the states based on formula distribution.

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.