

**MARAD TIGER GRANT #2**

**UNITED STATES OF AMERICA  
U.S. DEPARTMENT OF TRANSPORTATION  
MARITIME ADMINISTRATION  
WASHINGTON, DC 20590**

**GRANT AGREEMENT  
UNDER THE  
AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009  
TRANSPORTATION INVESTMENTS GENERATING ECONOMIC  
RECOVERY (TIGER) DISCRETIONARY GRANT PROGRAM**

**Hawaii State Department of Transportation, Harbors Division  
Reconstruction of Pier 29 Container Yard, Honolulu Commercial  
Harbor, HI**

**Period of Performance: July 1, 2010 – February 17, 2012**

**Grant Number: DTMA1G10003**

**Appropriation Data:  
7069M0106O.2010.1RPHH00OST.0000150000.41010.6100.6600  
\$24,500,000.00**

## TABLE OF CONTENTS

### Grant Agreement

Section 1	Legislative Authority.....	pg. 3
Section 2	General Terms and Conditions.....	pg. 4
Section 3	Applicable Federal Laws and Regulations.....	pg. 7
Section 4	Grantee and Project Conditions.....	pg. 9
Section 5	Reimbursement of Project Costs.....	pg. 12
Section 6	Reporting.....	pg. 14
Section 7	Special Grant Requirements.....	pg. 17
Section 8	Assurances.....	pg. 17
Section 9	Termination, Modification and Expiration.....	pg. 17
Section 10	Award and Execution of Agreement.....	pg. 18

### Attachments

Attachment A	Statement of Work.....	pg. 20
Attachment B	Grant Assurances .....	pg. 21
	1. Title VI Civil Rights Act of 1964.....	pg. 21
	2. Disclosure of Lobbying Activities.....	pg. 24
	3. Drug-Free Workplace.....	pg. 25
	4. Debarment, Suspension, and Other Responsibility Matters.....	pg. 29
	5. Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions.....	pg. 31
	6. Grant Assurances Specific to TIGER Discretionary Grant Program.....	pg. 32
Attachment C	Recovery Act Requirements and Contract Clauses.....	pg. 37
Attachment D	Monthly Project Progress Reports: Format and Content.....	pg. 43
Attachment E	Project Budget.....	pg. 48
Attachment F	Project Schedule.....	pg. 50
Attachment G	Technical Application.....	pg. 51
Attachment H	Milestone/Deliverable Schedule.....	pg. 53

**GRANT AGREEMENT BETWEEN THE  
U.S. DEPARTMENT OF TRANSPORTATION, MARITIME ADMINISTRATION  
AND HAWAII STATE DEPARTMENT OF TRANSPORTATION, HARBORS  
DIVISION-RECONSTRUCTION OF PIER 29 CONTAINER YARD, UNDER  
THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009,  
SUPPLEMENTAL DISCRETIONARY GRANTS FOR A NATIONAL SURFACE  
TRANSPORTATION SYSTEM,  
HEREINAFTER REFERRED TO AS THE  
“TIGER DISCRETIONARY GRANT PROGRAM”**

WHEREAS, the Hawaii State Department of Transportation, Harbors Division, hereinafter referred to as “Grantee,” or “Recipient,” has applied for a grant under the TIGER Discretionary Grant Program Authorized by the American Recovery and Reinvestment Act of 2009, Public Law 111-5, hereinafter referred to as the “Recovery Act”. WHEREAS, the Department reviewed and highly-ranked the application and deemed it credible and meritorious for approved funding. THEREFORE, the U.S. Department of Transportation (DOT), or “Government,” acting for the UNITED STATES, awards this grant in the amount of \$24,500,000 to be administered by the Maritime Administration (MARAD), to assist in the Grantee’s efforts to reconstruct the Pier 29 Container Yard, hereinafter referred to as the “Project,” in accordance with the terms and conditions of this grant agreement (“Agreement”).

**SECTION 1. LEGISLATIVE AUTHORITY**

Title XII of the Recovery Act provides that “...the Secretary of Transportation shall distribute funds provided...as discretionary grants to be awarded to State and local governments or transit agencies on a competitive basis for projects that will have a significant impact on the Nation, a metropolitan area, or a region.” The Act also provides that “...projects eligible for funding provided under this heading shall include, but not be limited to, highway or bridge projects eligible under title 23, United States Code, including interstate rehabilitation, improvements to the rural collector road system, the reconstruction of overpasses and interchanges, bridge replacements, seismic retrofit projects for bridges, and road realignments; public transportation projects eligible under chapter 53 of title 49, United States Code, including investments in projects participating in the New Starts or Small Starts programs that will expedite the completion of those projects and their entry into revenue service; passenger and freight rail transportation projects; and port infrastructure investments, including projects that connect ports to other modes of transportation and improve the efficiency of freight movement.”

Further, the Recovery Act provides that the authority to award a grant under the TIGER Discretionary Grant Program and perform oversight may be transferred from the Secretary of Transportation to the Administrators of the Federal Highway Administration, the Federal Transit Administration, the Federal Railroad Administration and the Maritime Administration.

## **SECTION 2. GENERAL TERMS AND CONDITIONS**

- a) The maximum obligation of the Government payable under this award, hereinafter referred to as the “Grant,” shall be \$24,500,000, subject to all the terms and conditions in this Agreement.
- b) Payment of the Grant will be made pursuant to and in accordance with 49 CFR Parts 18 and 19 (to the extent that a non-governmental grantee receives grant funding), and the provisions of such regulations and procedures as the Government may prescribe. Final determination of Grant expenditures may be based upon a final review of the total amount of agreed project costs and settlement will be made for adjustments to the Grant amount in accordance with applicable government-wide cost principles (2 CFR 225 (State and Local Governments, 2 CFR 215 (Higher Education Institutions); and 2 CFR 230 (Non-Profit Organizations).
- c) The Grantee agrees to carry out and complete the Project without undue delays and in accordance with the terms hereof, including the Project Schedule attached as Attachment F, and such regulations and procedures as the Government may prescribe.
- d) The Grantee has submitted a request for Federal assistance, hereinafter referred to as the “Application,” attached as Attachment G, and the Government is relying upon the Grantee’s assurances, certifications, and other representations made in the Application, or any other related documents submitted to the Government; and, in its submissions, the Grantee has demonstrated justification for the Project, and has demonstrated the financial and technical feasibility of the Project, including the ability to start construction quickly upon receipt of the Grant; to expend Grant funds once construction starts; and to receive all necessary environmental, state and local planning, and legislative approvals necessary for the Project to proceed in accordance with the Project Schedule.
- e) The Government has determined that the Project should receive a Grant based on a review of the Project’s potential to rapidly create jobs and economic activity; to provide lasting, long-term economic benefits for the transportation system; and to provide other outcomes, as specified in the June 17, 2009, Federal Register Notice, “Notice of Funding Availability for Supplemental Discretionary Grants for Capital Investments in Surface Transportation Infrastructure Under the American Recovery and Reinvestment Act” (Docket No. OST-2009-0115).
- f) Grant recipients will be monitored periodically by the Government, both programmatically and financially, to ensure that the Project goals, objectives, performance requirements, timelines, milestone completion, budgets, and other related program criteria are being met. Monitoring will be accomplished through a

combination of office-based reviews and onsite monitoring visits. Monitoring will involve the review and analysis of the financial, programmatic, performance and administrative issues relative to each program and will identify areas where technical assistance and other support may be needed. The Grantee is responsible for monitoring award activities, to include sub-awards, to provide reasonable assurance that the Federal award is administered in compliance with applicable requirements. Responsibilities include the accounting of receipts and expenditures, cash management, maintaining adequate financial records, and refunding disallowed expenditures. (For further information, please see Attachment B).

- g) The Grantee agrees to take all steps, including initiating litigation, if necessary, to recover Federal funds if the Government determines, after consultation with the Grantee, that such funds have been spent fraudulently, wastefully, or in violation of Federal laws, or misused in any manner in undertaking the Project. For the purposes of this Agreement, the term “Federal funds” means funds however used or disbursed by the Grantee that were originally paid pursuant to this DOT Grant Agreement (hereinafter referred to as the “Grant Agreement”).
- h) The Grantee agrees to retain all documents relevant to the grant award for a period of three years from completion of all Projects and receipt of final reimbursement from the Government. The Grantee agrees to furnish the Government, upon request, all documents and records pertaining to the determination of the Grant amount or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Grantee, in court or otherwise, involving the recovery of such Grant amount shall be approved in advance by the Government.
- i) The DOT is subject to the Freedom of Information Act (FOIA). Grantees should therefore be aware that all applications and related materials submitted by applicants related to this agreement will become agency records and thus are subject to FOIA and to public release through individual FOIA requests. ARRA also mandates broad public dissemination of information related to the expenditure of funds through reporting requirements and website postings that are addressed in other sections of this Agreement. President Obama’s March 20, 2009 Memorandum for the Heads of Executive Departments and Agencies on Ensuring Responsible Spending of Recovery Act Funds mandates the strongest possible efforts to ensure public transparency and accountability of ARRA expenditures.
- j) The Government shall not be responsible or liable for any damage to property or any injury to persons that may arise from, or be incident to, performance or compliance with this Grant Agreement.

As discussed in Section II(B)(1)(b) of the June 17 Federal Register notice for the TIGER Discretionary Grant program (<http://edocket.access.gpo.gov/2009/pdf/E9-14262.pdf>), and consistent with the Recovery Act and with OMB’s Updated Guidance, issued on April 3, 2009, and Federal laws guaranteeing equal opportunity, the Grantee agrees to assist the Department in meeting DBE goals by continuing to

provide DOT with information on: (1) whether the project will promote the creation of job opportunities for low-income workers through the use of best practice hiring programs and utilization of apprenticeship (including preapprenticeship) programs; (2) whether the project will provide maximum practicable opportunities for small businesses and disadvantaged business enterprises, including veteran-owned small businesses and service disabled veteran-owned small businesses; (3) whether the project will make effective use of community-based organizations in connecting disadvantaged workers with economic opportunities; (4) whether the project will support entities that have a sound track record on labor practices and compliance with Federal laws ensuring that American workers are safe and treated fairly; and (5) whether the project implements best practices, consistent with our nation's civil rights and equal opportunity laws, for ensuring that all individuals — regardless of race, gender, age, disability, and national origin — benefit from the Recovery Act.

The Grantee further agrees to comply with 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Programs -- as a condition of receiving grant funding. The Grantee agrees to: 1) promote the creation of job opportunities for low-income workers through the use of best practice hiring programs and utilization of apprenticeship (including pre-apprenticeship) programs; (2) provide maximum practicable opportunities for small businesses, including veteran-owned small businesses and service disabled veteran-owned small businesses; (3) make effective use of community-based organizations in connecting low income or unemployed workers with economic opportunities; (4) give priority consideration to doing business under the grant with firms that have a sound track record on labor practices and compliance with Federal laws ensuring that American workers are safe and treated fairly; and (5) implement best practices, consistent with our nation's civil rights and equal opportunity laws, for ensuring that all individuals — regardless of race, gender, age, disability, and national origin — benefit from the Recovery Act.

An example of a best practice under (5) would be to incorporate key elements of the Department's disadvantaged business enterprise (DBE) program (see 49 CFR Part 26) in contracts under this grant. This practice would involve setting a DBE contract goal on contracts under this grant that have subcontracting possibilities. The goal would reflect the amount of DBE participation on the contract that the recipient would expect to obtain absent the effects of discrimination and consistent with the availability of certified DBE firms to perform work under the contract. When a DBE contract goal has been established by a recipient, the contract would be awarded only to a bidder/ offeror who has met or made documented, good faith efforts to reach the goal. Good faith efforts are defined as "efforts to achieve a DBE goal or other requirement of this part which, by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the program requirement." Recipients must provide the Department a plan for incorporating the above best practice into its implementation of the grant within 30 days following execution of this grant agreement. If the recipient is not able to substantially incorporate Part 26 elements in accordance with the above-described best practice, the recipient agrees to

provide the Department with a written explanation and an alternative program for ensuring the nondiscriminatory use of contractors owned and controlled by socially and economically disadvantaged individuals.

In accordance with OMB Recovery Act Guidance, the Grantee may recoup costs in the amount of up to .5% of the grant amount for administering the grant (available at [http://www.whitehouse.gov/omb/recovery\\_default/](http://www.whitehouse.gov/omb/recovery_default/)) and in the answers to Frequently Asked Questions available at [http://www.whitehouse.gov/omb/recovery\\_faqs](http://www.whitehouse.gov/omb/recovery_faqs). Information about which administrative costs are reimbursable under this program is available in 2 CFR Part 225 (OMB Circular A-87), “Cost Principles for State and Local Governments” (located at: <http://www.whitehouse.gov/omb/circulars/a087/a087-all.html>), and in Recovery Act specific guidance in OMB Memorandum M-09-18, Payments to State Grantees for Administrative Costs of Recovery Act Activities (May 11, 2009).

- 1) The costs for collecting and reporting performance information required under this agreement are permitted as part of the up to .5% in administrative costs.
- 2) The Grantee agrees to enter into an agreement subsequent to this agreement identifying the performance measures that the Grantee will be responsible to track. The Grantee will be responsible for collecting and reporting information about the project’s performance for a period of time after construction has been completed. (See Attachment D).

### **SECTION 3. APPLICABLE FEDERAL LAWS AND REGULATIONS**

In addition to any other Federal requirements that apply, performance under this Grant Agreement shall be governed by and in compliance with the following requirements as applicable to the type of organization of the Recipient and any applicable sub-recipients:

The “Uniform Administrative Requirements for Grants and Grant Agreements to State and Local Governments” (49 CFR 18), located at: <http://www.dot.gov/ost/m60/grant/49cfr18.htm>, DOT’s procurement standards for grants, will apply to the extent that the Grantee procures property and services in carrying out the approved grant project. If there are any differences between the DOT procurement standards and the MARAD procurement standards, the MARAD standards will take precedence.

- a) Section 902 of the Recovery Act, requiring that each contract awarded using ARRA funds must include a provision that provides the U.S. Comptroller General and his representatives with the authority to: 1) examine any records of the contractor or any of its subcontractors, or any State or local agency administering such contract, that directly pertain to, and involve transactions relating to, the contract or subcontract; and 2) to interview any office or employee of the contractor or any of its

subcontractors, or of any State or local government agency administering the contract, regarding such transactions.

- b) Section 1515 of the Recovery Act, authorizing the DOT Office of the Inspector General to: 1) examine any records of the contractor or grantee, any of its subcontractors or subgrantees, or any State or local agency administering such contract, that pertain to, and involve transactions relating to, the contract, subcontract, grant or subgrant; and 2) interview any officer or employee of the contractor, grantee, subgrantee, or agency regarding such transactions.
- c) Section 1605 of the Recovery Act (Buy American Requirements (regulations at 2 CFR Part 176.140)) to the extent that the Grantee uses Grant funds for construction, alteration, maintenance, or repair of a public building or public work that utilizes iron, steel, and/or manufactured goods that are not covered under international agreements. See Attachment B, Recovery Act Requirements and Contract Clauses, for requirements and more information on Section 1605 compliance.
- d) Section 1606 of the Recovery Act (Davis-Bacon Act Wage Rate Requirements (regulations at 2 CFR Part 176.190)) to the extent that the Grantee uses Grant funds for construction, alteration, maintenance, or repair work. See Attachment C, Recovery Act Requirements and Contract Clauses, for requirements and more information on Section 1606 compliance.
- e) Section 1604 of the Recovery Act, which prohibits the grantee from expending funds under this agreement on any casino, or other gambling establishment, aquarium, zoo, golf course, or swimming pool.
- f) Sections 1201, 1511, and 1607 of the Recovery Act, requiring certifications. Note that the Section 1511 certification requirement pertains to particular infrastructure investments. All Certifications, once executed, should have been submitted to the Secretary of Transportation, c/o Joel Szabat, Deputy Assistant Secretary for Transportation Policy, at [TigerTeam.Leads@dot.gov](mailto:TigerTeam.Leads@dot.gov). Certifications may be submitted via e-mail as electronic, scanned copies, with original signed versions to follow to be submitted via U.S. mail. As required by the Recovery Act, Certifications under Section 1511 shall be immediately posted on a website and linked to the website Recovery.gov. No funds may be obligated until such posting is made.
- g) Section 1553 of the Recovery Act, which requires the grantee to provide Whistleblower protections. As a non-Federal employer, the Grantee is required to post a notice of the rights and remedies provided under this section. The whistleblower program requirements and poster are available at the following web site: <http://www.recovery.gov/?q=content/whistleblower-information>.
- h) Section 1554 of the Recovery Act, which requires the Grantee to award contracts as fixed-price contracts to the maximum extent possible through the use of competitive procedures. In the rare circumstances where the Grantee does not award fixed-price

contracts and does not use competitive procedures, the Grantee shall publicly and electronically post a summary of such contracts.

- i) The Single Audit Act Amendments of 1996 and the Office of Management and Budget's (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" (Single Audit Information requirements for Recipients of Recovery Act Funds (regulations at 2 CFR Part 176.210)), which govern the tracking and documentation of all Recovery Act expenditures. This includes compliance with Federal regulations requiring conduct of a Federally-approved audit of any expenditure of funds of \$500,000 or more in a year in Federal awards. See Attachment B, Recovery Act Requirements and Contract Clauses, for requirements and more information on Single Audit Information compliance.
- j) The "New Restrictions On Lobbying," (49 CFR Part 20 (located at: <http://www.dot.gov/ost/m60/grant/49cfr20.htm>).
- k) The "Cost Principles for State and Local Governments" 2 CFR Part 225 (OMB Circular A-87), or other applicable cost principles, depending upon the grantee (located at: <http://www.whitehouse.gov/omb/circulars/a087/a087-all.html>).
- l) OMB Circular A-102, "Grants and Grant Agreements with State and Local Governments" or other applicable requirements, depending upon the grantee (located at: <http://www.whitehouse.gov/omb/circulars/a102/a102.html>).
- m) Any other applicable Federal regulation or statute including each of the laws, regulations, executive orders, policies, guidelines, and requirements identified in Attachment A, Grant Assurances.

#### **SECTION 4. GRANTEE AND PROJECT CONDITIONS**

- a) Grantee: Hawaii State Department of Transportation, Harbors Division, as the Grantee under the TIGER Discretionary Grant Program, agrees to administer the Grant according to the conditions set forth in this Grant Agreement.

Dun and Bradstreet Data Universal Numbering System (DUNS) No. of the Grantee: 144539590.

First-Tier Sub-Grantees or Sub-Recipients : Currently none. Grantees are to report on the identity of First-Tier Sub-Grantees or Sub-Recipients if and when the Grantee contracts with such entities.

DUNS No. of First-Tier Sub-Grantee or Sub-Recipient: Currently none. Grantee agrees to report on the identity of First-Tier Sub-Grantees or Sub-Recipients if and when the Grantee contracts with such entities.

- b) Notices:

Notices required by this Agreement should be addressed as follows:

As to the Government:

Mr. Robert Bouchard  
Grants Officer Technical Representative  
MARAD  
1200 New Jersey Ave, SE  
MAR-510, W21-308  
Washington, DC 20590  
202-366-5076  
[Robert.Bouchard@dot.gov](mailto:Robert.Bouchard@dot.gov)

Mrs. Delores Bryant  
Grants Officer  
1200 New Jersey Ave, SE  
MAR-380, W28-201  
Washington, DC 20590  
202-366-2660  
[Delores.Bryant@dot.gov](mailto:Delores.Bryant@dot.gov)

Mr. Robert Mariner  
Office of the Secretary of Transportation  
1200 New Jersey Ave, SE (W84-224)  
Washington, DC 20590  
202-366-8914  
[Robert.Mariner@dot.gov](mailto:Robert.Mariner@dot.gov)

As to the Grantee:

Mr. Michael D. Formby, Deputy Director  
Hawaii State Department of Transportation, Harbors Division  
79 South Nimitz Highway, Honolulu, Hawaii 96813  
808-587-3651  
[Michael.Formby@hawaii.gov](mailto:Michael.Formby@hawaii.gov)

c) Project Description and Milestones:

The commercial harbors system works to ensure service to all inhabited islands and to allow ocean shipping carriers to move cargo effectively. In 2008, Hawaii's commercial harbors handled 21,094,123 short tons, including 1,497,786 TEUs and 33,317,981 barrels of liquid products. Total cargo throughput has been increasing much faster than

other economic indicators. Passenger volumes have varied with changes in the number of Hawaii-based cruise ships in recent years, with counts ranging between 250,000 to 500,000.

For Oahu, demand for container and automobile yards in Honolulu Harbor was estimated to grow by 88.9 acres from 2000 to 2020. The *Hawaii Commercial Harbors 2020 Master Plan* identified demand for 41 acres at Hilo and 42 acres at Kawaihae, for cargo terminals. The terminals in this TIGER application have been identified as needed in the Oahu and Hawaii Island master planning efforts.

The Reconstruction of Pier 29 Container Yard, Honolulu Harbor, Oahu, is shovel ready. It supports both domestic and foreign movement of goods. This project will significantly improve efficiency, safety, livability and sustainability of commercial harbor operations; increase economic competitiveness and support national security.

In 2008, the Pier 29 yard suffered structural failures, displacing Aloha Cargo Transport (ACT). It remains unusable today. Reconstruction of Pier 29 Container Yard action will permit ACT, currently operating at Pier 1, to return to Pier 29. This action will add approximately 12 acres of upgraded cargo yard and increase efficiency and safety in Honolulu Harbor.

This action will improve construction of new drainage, water, lighting, sewer, fire protection and electrical systems.

This project will relocate ACT cargo operations from Pier 1 to Pier 29, eliminate untenable working conditions at Piers 1 and 2, and allow the remaining users to work more efficiently when multiple vessels berth alongside. Cargo moving between ACT and Young Brothers Limited's (YB) Piers 39 and 40 terminal will travel 1.7 miles less, and avoid congestion in the downtown area.

Also, because Pier 29 is located west of downtown Honolulu and closer to the H-1 Interstate Highway, additional benefits include lower fuel consumption by truckers because of reduced travel distances and time. This will in turn reduce greenhouse gas emissions.

HDOT Harbors completed a Hawaii State Environmental Assessment (EA) and finding of no significant impact (FONSI) in June 2009.

1) Environmental Process:

Environmental Approval Type: Categorical Exclusion

Lead Agency: MARAD

Date of Environmental Approval: May 1, 2010

2) Project Schedule:

Planned or Actual Construction Start Date: 180 days from Grant Execution

Planned Project Completion Date: February 17, 2012

d) Project Funding (See Schedule for information about funding Attachment F):

1) TIGER Discretionary Grant Program Funding:

The total not-to-exceed amount of Federal funding that is provided under this Grant Agreement is \$24,500,000 for the entire period of performance. The Government's responsibility to make payments to the Grantee under this Agreement is limited to those funds obligated under this Agreement as indicated above and any subsequent amendments.

2) Local Financial Commitment (if any):

A. The Grantee hereby commits and certifies that it will provide funds (and ensure the availability of other sources of funding, such as local/private funding or in-kind contributions) in an amount sufficient, together with the Federal contribution (acknowledging the limitations as set forth in this Agreement), to assure timely and full payment of the project costs as necessary to complete the Project.

B. The Grantee agrees to notify the Government within 14 calendar days of any change in circumstances or commitments that adversely affect the Grantee's plan to fund the project costs necessary to complete the Project. In its notification, the Grantee shall advise the Government of what actions it has taken or plans to take to ensure adequate funding resources and shall reaffirm its commitment to the Government as set forth in Paragraph (A) of this Section 4(d)(2). The Government is not responsible for any funding shortfalls regarding the non-TIGER grant amount share. The TIGER Discretionary Grant Amount will remain unchanged (See Section 9 of this agreement regarding termination).

3) Grant Funds and Sources of Project Funds:

TIGER Discretionary Grant Amount:	\$24,500,000
Federal Other Share (if any):	\$0.00
State Share (if any):	\$7,000,000
Local Share (if any):	\$0.00
Other Share (if any):	\$0.00
<b>Total Project Cost:</b>	<b>\$31,500,000</b>

## SECTION 5. REIMBURSEMENT OF PROJECT COSTS

Pursuant to 49 CFR 18.21(d), the Grantee may request reimbursement of costs incurred in the performance hereof as are allowable under the applicable cost provisions (see 49 CFR Part 18) not-to-exceed the funds currently available as stated in this Grant Agreement. The Grantee shall submit an electronic copy of SF 270, no more frequently than monthly or quarterly.

a) Reimbursement:

- 1) Requests for Reimbursement: When requesting reimbursement of costs incurred, the Recipient shall submit supporting cost detail with the SF 270 to clearly document costs incurred. Cost detail includes a detailed breakout of all costs incurred including direct labor, indirect costs, other direct costs, travel, etc. The DOT/Enterprise Service Center (ESC) OFO/FAA, Oklahoma City, OK (Attn: Tammy Curnett) and Mr. Robert Bouchard, Program Office, DOT/MAR 510 reserve the right to withhold processing requests for reimbursement until sufficient detail is received. In addition, reimbursement will not be made without DOT/ESC OFO/FAA and program official review and approval to ensure that progress on the Agreement is sufficient to substantiate payment. After approval, Ms. Tammy Curnett, ESC will certify and forward the request for reimbursement to the payment office. **[Note: Standard Forms may be located at <http://fhwa.dot.gov/aaa/hamhome.htm>]**
- 2) Requests for reimbursement and required supporting documents should be sent via e-mail to the following e-mail address: [maradinvoices@faa.gov](mailto:maradinvoices@faa.gov) (repository subject to change is forthcoming). Include the request for reimbursement and supporting documents as an attached PDF document. Include in the e-mail subject line the following:

**[Requests for Reimbursement #  
Grant Award Number  
Name of your Company/Organization  
Attention: (Agreement Specialist's name)]**

**[Example: Invoice No. 1 of Grant Agreement No. DTFH61-08-H-00001 ABC Corporation, Attention: John Doe]**

Note: If the request for reimbursement and supporting documents exceed 8 MB, as an e-mail attachment, the recipient must select one of two non-electronic submission options presented below:

- Requests for reimbursement may be submitted via regular U.S. Postal Service to the following P.O. Box address: A/P Branch, AMZ-150 PO Box 25710, Oklahoma City, OK 73125

- Requests for reimbursement submitted via an overnight service must use the following physical address because delivery services other than the U.S. Postal Service will not deliver to the P.O. Box address noted above: A/P Branch, AMZ-150 PO Box 25710, Oklahoma City, OK 73125
- b) The Grantee shall have entered into obligations for services and goods associated with the Project prior to seeking reimbursement from the Government.
  - c) To seek reimbursement from the Government, the Grantee shall submit documentary evidence of all obligations associated with the Project set forth in paragraph (b) above, and included in the total Project costs set forth in paragraph (a) above (those to be covered by the local and/or state contribution, as well as those covered by the Federal contribution) on a periodic basis. The Government will reimburse the Grantee on a monthly basis for all valid obligation documentation (TIGER Discretionary Grant share of total project costs set forth in paragraph (a) above). All reimbursement requests to the Government shall include sufficient documentation to justify reimbursement of the Grantee, including invoices and proof of payment of an invoice.
  - d) The Grantee shall ensure that the funds provided by the Government are not misappropriated or misdirected to any other account, need, project, line-item, or the like.
  - e) Any Federal funds not expended in conjunction with the Project will remain the property of the Government.
  - f) Financial Management System: By signing this agreement, the Grantee verifies that it has, or will implement, a financial management system adequate for monitoring the accumulation of costs and that it complies with the financial management system requirements of 49 CFR Part 18. The Grantee's failure to comply with these requirements may result in agreement termination.
  - g) Allowability of Costs: Determination of allowable costs will be made in accordance with the applicable Federal cost principles, e.g., OMB Circular A-87. Disallowed costs are those charges determined to not be allowed in accordance with the applicable Federal cost principles or other conditions contained in this Agreement.

## **SECTION 6. REPORTING**

### a) Recovery Act Reporting:

Reporting requirements for the TIGER Discretionary Grant Program are identified below. Grantees shall submit their data as described in the paragraphs below.

1) Section 1201(c):

Section 1201(c) reports are required the Recovery Act and should include the amount of Grant Funds appropriated, allocated, obligated, and outlayed under the appropriation; the number of projects put out to bid under the appropriation and the amount of Grant Funds associated with these contracts; the number of contracts awarded under the appropriation and the amount of Grant Funds associated with these contracts; the number of projects for which work has begun under these contracts and the associated amount of Grant Funds; the number of projects for which work has been completed and the associated amount of Grant Funds; the number of direct, on-project jobs created or sustained by the Grant Funds for projects under the appropriation and, to the extent possible, number of direct on-project job hours (the Department calculates the number of indirect and induced jobs); and the actual aggregate expenditures by each recipient from State sources for projects eligible for funding under the program between February 17, 2009, and September 30, 2010, compared to the level of such expenditures planned to occur during this period as of February 17, 2009, updated annually through February 17, 2012.

2) Section 1512 (c):

In accordance with the Recovery Act and OMB Guidance, dated June 22, 2009 [http://www.whitehouse.gov/omb/assets/memoranda\\_fy2009/m09-21.pdf](http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21.pdf) this Grant award requires the Grantee to complete projects or activities which are funded under the Recovery Act and to report on use of Recovery Act funds provided through this award to <http://www.FederalReporting.gov>. Information from these reports will be made available to the public. Such reporting responsibility may be delegated from the Grantee/Recipient to the Sub-grantee/ Sub-recipient or vendor, if any in order to ensure that the necessary information is provided to the Grantee/Recipient, who is ultimately responsible for reporting the required elements.

The reports are due no later than ten calendar days after each calendar quarter in which the recipient receives the assistance award funded in whole or in part by the Recovery Act. The first quarterly report shall be submitted to MARAD by October 1, 2010 and every calendar quarter thereafter following execution of this Agreement.

Grantees/ Recipients and their Subgrantees/first-tier recipients (to the extent that they have been delegated direct reporting responsibility) must maintain current registrations in the Central Contractor Registration (<http://www.ccr.gov>) at all times during which they have active federal awards funded with Recovery Act funds. A DUNS Number (<http://www.dnb.com>) is one of the requirements for registration in the Central Contractor Registration.

The Grantees/Recipients shall report the information described in section 1512(c) of the Recovery Act using the reporting instructions and data elements that are provided online at <http://www.FederalReporting.gov> and ensure that any information that is pre-filled is corrected or updated as needed.

3) Section 1609:

In accordance with Section 1609 of the Recovery Act, the Grantee shall submit quarterly reports, as necessary, describing the status of the Project with respect to the National Environmental Policy Act (NEPA) review. A report shall be submitted to MARAD by September 17, 2010 and every 90 days thereafter following the execution of this Agreement. Due to the unique timeframe for TIGER Discretionary Grant awards, Grantees should submit the first of such reports on the first due date following the execution date of this Grant Agreement and on each subsequent due date thereafter.

4) Other Reports:

In accordance with the purposes of the Recovery Act, the Grantee may be required to submit additional information in response to requests from DOT, OMB, the Congressional Budget Office, the Government Accountability Office, or the Department of Transportation's Inspector General. The Government will inform Grantees if and when such additional reports are required.

b) Project Reports:

- 1) Progress Reports: Consistent with the purposes of the TIGER Discretionary Grant Program, to ensure accountability and transparency in Government spending, the Grantee shall submit progress reports, as set forth in Attachment D: Monthly Project Progress Reports, to the Government on a monthly basis, beginning on the first day of the first full month following the execution of the grant agreement, and on the first day of each month thereafter until completion of the Project. The initial report shall include a detailed description, and, where appropriate, drawings, of the items funded.

Addresses for submittal of reports and documents: The Grantee shall submit all required reports and documents to the Government electronically, referencing the Grant Agreement number, at the following address: [Robert.Bouchard@dot.gov](mailto:Robert.Bouchard@dot.gov)

- 2) Annual Budget Review and Program Plan: The Grantee shall submit an Annual Budget Review and Program Plan to the Government via e-mail 60 days prior to the end of each agreement year. The Annual Budget Review and Program Plan shall provide a detailed schedule of activities, estimate of

specific performance objectives, include forecasted expenditures, and schedule of milestones for the upcoming agreement year. If there are no proposed deviations from the Approved Project Budget, attached hereto as Attachment D, the Annual Budget Review shall contain a statement stating such. The Recipient will meet with DOT to discuss the Annual Budget Review and Program Plan. If there is an actual or projected project cost increase, the annual submittal should include a written plan for providing additional sources of funding to cover the project budget shortfall or supporting documentation of committed funds to cover the cost increase.

To the extent the annual budget update deviates from the approved project budget by more than 10 percent, then work proposed under the Annual Budget Review and Program Plan shall not commence until written approval from the Government is received.

- c) Milestones/Deliverables Schedule: See Attachment H.
- d) Closeout Process: Closeout occurs when all required project work and all administrative procedures described in 49 CFR part 18 (or part 19 as applicable) are completed, and the Government notifies the grantee and forwards the final Federal assistance payment, or when the Government acknowledges the Grantee's remittance of the proper refund. Within 90 days of Project completion date or termination by the Government, Grantees must submit a final Financial Status Report (SF-425), a certification or summary of project expenses, and third party audit reports.

## **SECTION 7. SPECIAL GRANT REQUIREMENTS**

The Standard Form (SF)-425 is the new U.S. Government (USG) financial reporting form that replaced the two most common USG financial reports—the Financial Status Report that used the SF-269/SF-269A and the Federal Cash Transaction Report that used the SF-272/SF-272A.

This does not affect use of the SF-270. To obtain a copy of the new SF-425 please go to website: [http://www.whitehouse.gov/omb/grants/standard\\_forms/ff\\_report.pdf](http://www.whitehouse.gov/omb/grants/standard_forms/ff_report.pdf).

## **SECTION 8. ASSURANCES**

The Grantee shall execute the attached assurances and certifications in conjunction with execution of this Grant Agreement and shall ensure compliance with those assurances and certifications.

## **SECTION 9. TERMINATION, MODIFICATION AND EXPIRATION**

- a) Subject to the terms set forth in this Grant Agreement, the Government reserves the right to terminate this Grant Agreement, and the Government's obligations

thereunder, unless otherwise agreed between the Grantee and the Government, if any of the following occurs:

- 1) The Grantee fails to obtain or provide any non-Federal contribution or alternatives approved by the Government as provided in this Grant Agreement its Application and in accordance with the Project Schedule;
  - 2) The Grantee fails to begin construction within 180 days after the execution of this Grant Agreement.
  - 3) The Grantee fails to begin expenditure of Grant funds within 90 days after the execution of the Grant Agreement.
  - 4) The Grantee does not meet the conditions and obligations specified under this Grant Agreement including a material failure to comply with the Project Schedule which is beyond the reasonable control of the Grantee; or
  - 5) The Government determines that termination is in the public interest.
- b) Funds available under this Grant Agreement must be obligated on or before September 30, 2011, but once obligated, are available for liquidation and adjustment through September 30, 2016, the "Grant Termination Date." Unless otherwise specified, this Grant Agreement shall terminate on the Grant Termination Date.
- c) Either party (Government or the Grantee) may seek to amend or modify this Grant Agreement prior to the Grant Termination Date by written notice (formal letter) to the other party and in accordance with 49 CFR parts 18.43 and 18.44. The Grant Agreement will be amended or modified only on mutual written agreement by both parties.

#### **SECTION 10. AWARD AND EXECUTION OF AGREEMENT**

There are four (4) identical counterparts of this Grant Agreement in typewritten hard copy; each counterpart is to be fully signed in writing by the parties and each counterpart is deemed to be an original having identical legal effect. When signed and dated by the authorized official of the Government, this instrument will constitute an Award. Upon full Execution of this Agreement by the Grantee, the effective date will be the date the Government awarded funding under this Agreement as set forth below.

**EXECUTION BY GOVERNMENT**

The Government executes this agreement in accordance with Public Law 111-5, and in accordance with the above conditions and assurances.

Executed this 12<sup>th</sup> day of July, 2010.

  
Signature of Government's Authorized Representative

Title Maritime Administrator

**EXECUTION BY GRANTEE**

The Grantee agrees to accomplish each element of the project in compliance with the terms and conditions contained herein.

Executed this 2nd day of July, 2010.

(SEAL)

Grantee Department of Transportation  
Harbors Division  
  
Signature of Grantee's Designated Official Representative

Title DEPUTY DIRECTOR, DOT  
HARBORS DIVISION

**ATTACHMENT A**  
**STATEMENT OF WORK**

Complete the Pier 29 Container Yard project to construct approximately 12 acres of upgraded cargo yard pavement ensuring it is designed for top pick handlers, to increase efficiency and safety in Honolulu Harbor. Completion of this project will assist the port in allowing the return of Aloha Cargo Transport (ACT), which is temporarily relocated to Piers 1 and 2 due to pavement failures at Pier 29 in early 2008.

The new construction of the 12 acre container yard at Pier 29 is to include roughly 9 acres of concrete pavement, 1 acre of asphaltic concrete transition pavement and 2 acres of gravel fill. The project is to include the construction of a new drainage, water, lighting, sewer, fire protection and electrical systems.

The drainage system is to be composed of trench drains to catch and filter storm water. The domestic water system is to consist of 6 inch diameter fiberglass pipe to supply the existing comfort stations with potable water.

Construction will also include 15 new light poles to provide adequate lighting for night time operations. The sewer system is to consist of 4 inch diameter fiberglass force mains to service the existing comfort stations on the pier.

The fire protection system is to include 12 inch diameter fiberglass mains connected to 17 new fire hydrants dispersed through the container yard.

The electrical system is to include a new switchboard and lighting controls as well as a new underground electrical distribution system to supply the new lights and existing comfort stations with power.

The project will also include the removal and disposal of significant quantities of petroleum impacted soils. It is estimated that 20% of the soil excavated will require special handling and disposal due to the elevated contamination levels.

Total of contaminated soil removal will only be known after the excavation occurs, despite environmental review. It is estimated that contaminated soil removal and disposal costs could be approximately 10% of the overall project cost.

**ATTACHMENT B: GRANT ASSURANCES**

**1. Title VI Assurance (Implementing Title VI of the Civil Rights Act of 1964, as amended)**

**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
MARITIME ADMINISTRATION**

**ASSURANCE CONCERNING NONDISCRIMINATION IN FEDERALLY-  
ASSISTED PROGRAMS  
AND ACTIVITIES RECEIVING OR BENEFITING FROM  
FEDERAL FINANCIAL ASSISTANCE**

(Implementing the Rehabilitation Act of 1973, as amended, and the Americans With Disabilities Act, as amended)

49 CFR Parts 21, 25, 27, 37 and 38

**DOT, HARBORS DIVISION,** (the Grantee) HEREBY AGREES THAT,  
(Name of Grantee) **STATE OF HAWAII**

- I. As a condition to receiving any Federal financial assistance from the Department of Transportation, it will comply: with Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d--42 U.S.C. 2000d-4; all requirements imposed by or pursuant to: Title 49, Code of Federal Regulations, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act of 1964; and other pertinent directives so that no person in the United States shall, on the grounds of race, color, national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Grantee receives Federal financial assistance from the Department of Transportation. This assurance is required by Title 49, Code of Federal Regulations, section 21.7(a).
- II. As a condition to receiving any Federal financial assistance from the Department of Transportation, it will comply with: Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. 1681 through 1683, and 1685 through 1687, and U.S. DOT regulations,

"Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance," 49 CFR part 25, which prohibit discrimination on the basis of sex.

- III. As a condition to receiving any Federal financial assistance from the Department of Transportation, it will comply with: the Age Discrimination Act of 1975, as amended (42 USC 6101 et seq), the Drug Abuse Office and Treatment Act of 1972, as amended (21 USC 1101 et seq.), the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, as amended (42 USC 4541 et seq); and any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance was made; and the requirements of any other nondiscrimination statute(s) which may apply to the grant recipient.
  - IV. As a condition to receiving any Federal financial assistance from the Department of Transportation, it will comply with: section 504 of the Rehabilitation Act of 1973, as amended, (29 USC 794); and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Part 27, Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance; and Part 37, Transportation Services for Individuals With Disabilities; and Part 38, Americans With Disabilities Act – Accessibility Specifications for Transportation Vehicles; and other pertinent directives so that no otherwise qualified person with a disability, be excluded from participation in, be denied the benefits of, be discriminated against by reason of such handicap, or otherwise be subjected to discrimination under any program for which the Grantee receives Federal financial assistance from the Department of Transportation. This assurance is required by Title 49, Code of Federal Regulations, Section 27.9.
- The Grantee will promptly take any measures necessary to effectuate this agreement. The Grantee further agrees that it shall take reasonable actions to guarantee that it, its contractors and subcontractors subject to the Department of Transportation regulations cited above, transferees, and successors in interest will comply with all requirements imposed or pursuant to the statutes and Department of Transportation regulations cited above, other pertinent directives, and the above assurances.
  - These assurances obligate the Grantee for the period during which Federal financial assistance is extended. The Grantee agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the statutes and Department of Transportation regulations cited above, other pertinent directives, and the above assurances.

- These assurances are given for the purpose of obtaining Federal grant assistance under the TIGER Discretionary Grant Program and are binding on the Grantee, contractors, subcontractors, transferees, successors in interest, and all other participants receiving Federal grant assistance in the TIGER Discretionary Grant Program. The person or persons whose signatures appear below are authorized to sign this agreement on behalf of the Grantee.
- In addition to these assurances, the Grantee agrees to file: a summary of all complaints filed against it within the past year that allege violation(s) by the Recipient of Title VI of the Civil Rights Act of 1964, as amended, section 504 of the Rehabilitation Act of 1973, as amended; or a statement that there have been no complaints filed against it. The summary should include the date the complaint was filed, the nature of the complaint, the status or outcome of the complaint (*i.e.*, whether it is still pending or how it was resolved).

Date 2 July 2010

DOT, HARBORS DIVISION,  
Legal Name of Grantee **STATE OF HAWAII**

By:   
Signature of Authorized Official

2. Disclosure of Lobbying Activities

UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
MARITIME ADMINISTRATION

Certification for Contracts, Grants, Loans,  
and Grant Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any Grant Agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or grant agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or grant agreement, the undersigned shall complete and submit Standard Form-LLL (Rev. 7-97), "Disclosure of Lobbying Activities," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and grant agreements) and that all subgrantees shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

  
\_\_\_\_\_  
Signature

2 July 2010  
\_\_\_\_\_  
Date

DEPUTY DIRECTOR, DOT  
\_\_\_\_\_  
Title

DOT HARBORS DIVISION,  
\_\_\_\_\_  
Grantee STATE OF HAWAII

**3. Drug-Free Workplace Requirements**

**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
MARITIME ADMINISTRATION**

**CERTIFICATION REGARDING DRUG-FREE WORKPLACE  
REQUIREMENTS IN THE PERFORMANCE OF THE TIGER  
DISCRETIONARY GRANT PROGRAM**

A. The grant certifies that it will, or will continue, to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Grantee's workplace, and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an ongoing drug-free awareness program to inform employees about--

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of work supported by the grant award be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment supported by the grant award, the employee will--

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of conviction. Employers of convicted employees must provide notice, including position title, to the Department. Notice shall include the order number of the grant award;

(f) Taking one of the following actions, within 30 days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted--

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended, or

- (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

B. The Grantee *may*, but is not required to, insert in the space provided below the site for the performance of work done in connection with the specific grant.

Places of Performance (street address, city, county, state, zip code). For the provision of services pursuant to the grant award, workplaces include outstations, maintenance sites, headquarters office locations, training sites and any other worksites where work is performed that is supported by the grant award.

Check [ ] if there are workplaces on file that are not identified here.

  
\_\_\_\_\_  
Grantee Signature

2 June 2010  
Date

**4. Certification Regarding Debarment, Suspension and Other Responsibility Matters:**

**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
MARITIME ADMINISTRATION**

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER  
RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTIONS**

**2 CFR Part 1200, 49 CFR Part 32**

**Instructions for Certification**

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. See Nonprocurement Suspension and Debarment (2 CFR Part 1200) and Government wide Requirements for Drug-Free Workplace Grants (49 CFR Part 32).6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

6. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

**Certification Regarding Debarment, Suspension, and Other Responsibility Matters -  
- Primary Covered Transactions**

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Muandoz  
Name

DEPUTY DIRECTOR, DOT  
Title

2 June 2010  
Date

**5. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions**

**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
MARITIME ADMINISTRATION**

**Instructions for Certification**

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from

Federal Procurement and Non-procurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

**Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions**

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

  
Name

DEPUTY DIRECTOR, DOT  
Title

\_\_\_\_\_  
Affiliation

2 July 2010  
Date

## **6. Grant Assurances Specific to TIGER Discretionary Grant Program**

**Certification.** The Grantee hereby assures and certifies, with respect to this grant, that it will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:

### **General Federal Legislation**

- a. Davis-Bacon Act - 40 U.S.C. 3141, et seq.
- b. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- c. Hatch Act - 5 U.S.C. 1501, et seq.
- d. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title - 42 U.S.C. 4601, et seq.
- e. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470f.
- f. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469a through 469c.
- g. Native American Graves Protection and Repatriation Act - 25 U.S.C. 3001, et seq.
- h. Clean Air Act, P.L. 90-148, as amended.
- i. Section 404 of the Clean Water Act, as amended 33 U.S.C. 1251, et seq.
- j. Section 7 of the Endangered Species Act, P.L. 93-205, as amended.
- k. Coastal Zone Management Act, P.L. 92-583, as amended.
- l. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.
- m. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- n. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- o. Drug Abuse Office and Treatment Act of 1972, as amended, 21 U.S.C. 1101, et seq.
- p. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, P.L. 91-616, as amended - 42 U.S.C. 4541, et seq.
- q. Sections 523 and 527 of the Public Health Service Act of 1912, as amended, 42 U.S.C. 290dd through 290dd-2.
- r. Architectural Barriers Act of 1968 - 42 U.S.C. 4151, et seq.
- s. Power Plant and Industrial Fuel Use Act of 1978, P.L. 100-42 - Section 403 - 42 U.S.C.8373
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 3701, et seq.
- u. Copeland Anti-kickback Act, as amended - 18 U.S.C. 874 and 40 U.S.C. 3145
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended - 16 U.S.C. 1271, et seq.
- x. Federal Water Pollution Control Act, as amended - 33 U.S.C. 1251-1376
- y. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.
- z. Americans with Disabilities Act of 1990 - 42 U.S.C. 12101, et seq.
- aa. Title IX of the Education Amendments of 1972, as amended - 20 U.S.C. 1681 through 1683, and 1685 through 1687.
- bb. Section 504 of the Rehabilitation Act of 1973, as amended - 29 U.S.C. 794
- cc. American Recovery and Reinvestment Act of 2009 - P.L. 111-5
- dd. Title VI of the Civil Rights Act of 1964 - 42 U.S.C. 2000d, et seq.
- ee. Title IX of the Federal Property and Administrative Services Act of 1949 - 40 U.S.C. 541, et seq.
- ff. Limitation on Use of Appropriated Funds to Influence Certain Federal Contracting

- and Financial Transactions – 31 U.S.C. 1352
- gg. Freedom of Information Act - 5 U.S.C. 552, as amended.
- hh. Magnuson-Stevens Fishery Conservation and Management Act – 16 U.S.C. 1855
- ii. Farmlands Protection Policy Act of 1981 – 7 U.S.C. 4201
- jj. Noise Control Act of 1972 – 42 U.S.C. 4901, et seq.
- kk. Fish and Wildlife Coordination Act of 1956 – 16 U.S.C. 661
- ll. Section 9 of the Rivers and Harbors Act and General Bridge Act of 1946 - 33 U.S.C. 401
- mm. Section 4(f) of the Department of Transportation Act of 1966, 49 U.S.C. 303 and 23 U.S.C. 138
- nn. Resource Conservation and Recovery Act of 1976 (RCRA), as amended -- 42 U.S.C. 6901, et seq.
- oo. Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended --42 U.S.C. 9601-9657
- pp. Safe Drinking Water Act -- 42 U.S.C. 300F-300J-6
- qq. Wilderness Act -- 16 U.S.C. 1131-1136
- rr. Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 -- 42 U.S.C. 6901, et seq.
- ss. Native American Grave Protection and Repatriation Act -- 25 U.S.C. 3001 et seq.
- tt. Migratory Bird Treaty Act 16 U.S.C. 760c-760g.

#### **Executive Orders**

- a. Executive Order 11246 - Equal Employment Opportunity
- b. Executive Order 11990 - Protection of Wetlands
- c. Executive Order 11988 – Floodplain Management
- d. Executive Order 12372 - Intergovernmental Review of Federal Programs
- e. Executive Order 12549 – Debarment and Suspension
- f. Executive Order 12898 – Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations
- g. Executive Order 13166 – Improving Access to Services for Persons With Limited English Proficiency

#### **General Federal Regulations**

- a. Interim Final Guidance on Buy American – 74 FR 18449 (April 23, 2009), 2 CFR Part 176
- b. Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations – 2 CFR Part 215
- c. Cost Principles for State and Local Governments – 2 CFR Part 225
- d. Non-procurement Suspension and Debarment – 2 CFR Part 1200
- e. Investigative and Enforcement Procedures - 14 CFR Part 13
- f. Procedures for predetermination of wage rates - 29 CFR Part 1
- g. Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States - 29 CFR Part 3
- h. Labor standards provisions applicable to contracts governing federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act) - 29 CFR

Part 5

- i. Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements) - 41 CFR Parts 60, et seq.
- j. Contractor Qualifications - 48 CFR Part 9
- k. Uniform administrative requirements for grants and cooperative agreements to state and local governments - 49 CFR Part 18
- l. New Restrictions on Lobbying – 49 CFR Part 20
- m. Nondiscrimination in Federally Assisted Programs of the Department of Transportation –Effectuation of Title VI of the Civil Rights Act of 1964 – 49 CFR Part 21
- n. Uniform relocation assistance and real property acquisition for Federal and Federally assisted programs - 49 CFR Part 24
- o. Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance - 49 CFR Part 25
- p. Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs – 49 CFR Part 26
- q. Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance - 49 CFR Part 27
- r. Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation – 49 CFR Part 28
- s. Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors - 49 CFR Part 30
- t. Governmentwide Requirements for Drug-Free Workplace (Financial Assistance) – 49 CFR Part 32
- u. DOT's implementing ADA regulations, including the ADA Accessibility Guidelines in Part 37, Appendix A - 49 CFR Parts 37 and 38
- v. Procedures for Transportation Workplace Drug and Alcohol Testing Programs – 49 CFR Part 40

**Office of Management and Budget Circulars**

- a. A-87 – Cost Principles Applicable to Grants and Contracts with State and Local Governments
- b. A-102 – Grants and Grant Agreements with State and Local Governments
- c. A-133 - Audits of States, Local Governments, and Non-Profit Organizations
- d. Any other applicable OMB Circular based upon the specific TIGER Grant Recipient

**Additional Federal Regulations or Statutes to be Applied by Maritime Administration (MARAD)**

The grantee may be required to submit additional information in response to requests from DOT, OMB, the Congressional Budget Office, The Government Accountability Office or the Department of Transportation's Inspector General. The Government will inform the grantee if such reports are required.

Specific assurances required to be included in grant agreements by any of the above laws, regulations, or circulars are hereby incorporated by reference into the Grant Agreement.

**Responsibility and Authority of the Grantee.**

1. The Grantee has the legal authority to apply for the grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

2. **Funds Availability.** It has sufficient funds available for that portion of the project costs that are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under the grant agreement that it will own or control.

**3. Preserving Rights and Powers.**

It will not take or permit any action that would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in the grant agreement without the written approval of the DOT, and will act promptly to acquire, extinguish, or modify any outstanding rights or claims of right of others that would interfere with such performance by the Grantee. The Grantee agrees that this will be done in a manner acceptable to the DOT.

**4. Accounting System, Audit, and Record Keeping Requirements.**

a. The Grantee agrees to keep all project accounts and records that fully disclose the amount and disposition by the grantee of the proceeds of the grant, the total cost of the project in connection with which the grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984, as amended (31 USC 7501-7507).

b. The Grantee agrees to make available to the DOT and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the Grantee that are pertinent to the grant. The DOT may require that a Grantee conduct an appropriate audit. In any case in which an independent audit is made of the accounts of a Grantee relating to the

disposition of the proceeds of a grant or relating to the project in connection with which the grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

**5. Minimum Wage Rates.** It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this grant agreement that involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 3141, et seq), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

In addition, in order to incorporate the provisions of Section 1606 of the Recovery Act, which applies Davis-Bacon Act prevailing wage requirements to projects funded directly by or assisted in whole or in part by and through the Federal Government using laborers and mechanics, the grantee agrees to insert the clauses found in 29 CFR 5.5(a) provided in Attachment B of this grant agreement in all Grantee contracts and grants using funds obligated to carry out this grant agreement.

**6. Engineering and Design Services.** It will award each contract or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping, or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541, et seq) or an equivalent qualifications-based requirement prescribed for or by the Grantee as approved by the Secretary.

**7. Foreign Market Restrictions.** It will not allow funds provided under this grant to be used to fund any project that uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

**8. Relocation and Real Property Acquisition.** (1) It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B. (2) It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24. (3) It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

DOT, HARBORS DIVISION

Grantee STATE OF HAWAII

Aunani DTC  
Signature of Authorized Grantee Official

2 July 2010  
Date

## **ATTACHMENT C: RECOVERY ACT REQUIREMENTS AND CONTRACT CLAUSES**

### **1. Davis-Bacon Wage Rate Requirements and Contract Clauses**

- a) Section 1606 of the Recovery Act requires that all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to the Recovery Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.
- b) Pursuant to Reorganization Plan No. 14 and the Copeland Act, 40 U.S.C. 3145, the Department of Labor has issued regulations at 29 CFR parts 1, 3, and 5 to implement the Davis-Bacon and related Acts. Regulations in 29 CFR 5.5 instruct agencies concerning application of the standard Davis-Bacon contract clauses set forth in that section. Federal agencies providing grants, cooperative agreements, and loans under the Recovery Act shall ensure that the standard Davis-Bacon contract clauses found in 29 CFR 5.5(a) are incorporated in any resultant covered contracts that are in excess of \$2,000 for construction, alteration or repair (including painting and decorating).
- c) Federal agencies providing grants, grant agreements, and loans under the Recovery Act shall ensure that the standard Davis-Bacon contract clauses found in 29 CFR 5.5(a) are incorporated in any resultant covered contracts that are in excess of \$2,000 for construction, alteration or repair (including painting and decorating).
- d) For additional guidance on the wage rate requirements of section 1606, contact your awarding agency. Recipients of grants, grant agreements and loans should direct their initial inquiries concerning the application of Davis-Bacon requirements to a particular federally assisted project to the Federal agency funding the project. The Secretary of Labor retains final coverage authority under Reorganization Plan Number 14.

### **2. Buy American Act Requirements and Contract Clauses**

- a) Definitions. As used in this award term and condition—
  - (1) Manufactured good means a good brought to the construction site for incorporation into the building or work that has been—
    - (i) Processed into a specific form and shape; or
    - (ii) Combined with other raw material to create a material that has different properties than the properties of the individual raw materials.
  - (2) Public building and public work means a public building of, and a public

work of, a governmental entity (the United States; the District of Columbia; commonwealths, territories, and minor outlying islands of the United States; State and local governments; and multi-State, regional, or interstate entities which have governmental functions). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.

(3) Steel means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) Domestic preference.

(1) This award term and condition implements Section 1605 of the American Recovery and Reinvestment Act of 2009 (Recovery Act) (Pub. L. 111-5), by requiring that all iron, steel, and manufactured goods used in the project are produced in the United States except as provided in paragraph (b)(3) and (b)(4) of this section and condition.

(2) This requirement does not apply to the material listed by the Federal Government as follows:

None

(3) The award official may add other iron, steel, and/or manufactured goods to the list in paragraph (b)(2) of this section and condition if the Federal Government determines that—

(i) The cost of the domestic iron, steel, and/or manufactured goods would be unreasonable. The cost of domestic iron, steel, or manufactured goods used in the project is unreasonable when the cumulative cost of such material will increase the cost of the overall project by more than 25 percent;

(ii) The iron, steel, and/or manufactured good is not produced, or manufactured in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or

(iii) The application of the restriction of section 1605 of the Recovery Act would be inconsistent with the public interest.

(c) Request for determination of inapplicability of Section 1605 of the Recovery Act.

(1)(i) Any recipient request to use foreign iron, steel, and/or manufactured goods in accordance with paragraph (b)(3) of this section shall include adequate information for Federal Government evaluation of the request, including—

(A) A description of the foreign and domestic iron, steel, and/or manufactured goods;

(B) Unit of measure;

- (C) Quantity;
  - (D) Cost;
  - (E) Time of delivery or availability;
  - (F) Location of the project;
  - (G) Name and address of the proposed supplier; and
  - (H) A detailed justification of the reason for use of foreign iron, steel, and/or manufactured goods cited in accordance with paragraph (b)(3) of this section.
- (ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed cost comparison table in the format in paragraph (d) of this section.
  - (iii) The cost of iron, steel, and/or manufactured goods material shall include all delivery costs to the construction site and any applicable duty.
  - (iv) Any recipient request for a determination submitted after Recovery Act funds have been obligated for a project for construction, alteration, maintenance, or repair shall explain why the recipient could not reasonably foresee the need for such determination and could not have requested the determination before the funds were obligated. If the recipient does not submit a satisfactory explanation, the award official need not make a determination.
- (2) If the Federal Government determines after funds have been obligated for a project for construction, alteration, maintenance, or repair that an exception to section 1605 of the Recovery Act applies, the award official will amend the award to allow use of the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is nonavailability or public interest, the amended award shall reflect adjustment of the award amount, redistribution of budgeted funds, and/or other actions taken to cover costs associated with acquiring or using the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is the unreasonable cost of the domestic iron, steel, or manufactured goods, the award official shall adjust the award amount or redistribute budgeted funds by at least the differential established in 2 CFR 176.110(a).
- (3) Unless the Federal Government determines that an exception to section 1605 of the Recovery Act applies, use of foreign iron, steel, and/or manufactured goods is noncompliant with section 1605 of the American Recovery and Reinvestment Act.

(d) Data. To permit evaluation of requests under paragraph (b) of this section based on unreasonable cost, the Recipient shall include the following information and any applicable supporting data based on the survey of suppliers:

**Foreign and Domestic Items Cost Comparison**

Description	Unit of measure	Quantity	Cost (dollars)*
<i>Item 1:</i>			
Foreign steel, iron, or manufactured good	_____		
Domestic steel, iron, or manufactured good	_____		
<i>Item 2:</i>			
Foreign steel, iron, or manufactured good	_____		
Domestic steel, iron, or manufactured good	_____		

[List name, address, telephone number, email address, and contact for suppliers surveyed. Attach copy of response; if oral, attach summary.]

[Include other applicable supporting information.]

[\*Include all delivery costs to the construction site.]

**3. 48 C.F.R. Subpart 52.247-64 Preference for Privately Owned Commercial U.S. Flag Vessels – Cargo Preference Act of 1954**

(a) Except as provided in paragraph (e) of this clause, the Cargo Preference Act of 1954 requires that Federal departments and agencies shall transport in privately owned U.S.-flag commercial vessels at least 50 percent of the gross tonnage of equipment, materials, or commodities that may be transported in ocean vessels (computed separately for dry bulk carriers, dry cargo liners, and tankers). Such transportation shall be accomplished when any equipment, materials, or commodities, located within or outside the United States that may be transported by ocean vessel are—

- (1) Acquired for a U.S. Government agency account;
- (2) Furnished to, or for the account of, any foreign nation without provision for reimbursement;
- (3) Furnished for the account of a foreign nation in connection with which the United States advances funds or credits, or guarantees the convertibility of foreign currencies; or
- (4) Acquired with advance of funds, loans, or guaranties made by or on behalf of the United States.

(b) The Contractor shall use privately owned U.S.-flag commercial vessels to ship at least 50 percent of the gross tonnage involved under this contract (computed separately for dry bulk carriers, dry cargo liners, and tankers) whenever shipping any equipment, materials, or commodities under the conditions set forth in paragraph (a) of this clause, to the extent that

such vessels are available at rates that are fair and reasonable for privately owned U.S.-flag commercial vessels.

(c)(1) The Contractor shall submit one legible copy of a rated on-board ocean bill of lading for each shipment to both—

(i) The Contracting Officer, and the

(ii) Office of Cargo Preference and Domestic Trade Maritime Administration 1200 New Jersey Avenue, SE Washington DC 20590

Subcontractor bills of lading shall be submitted through the Prime Contractor.

(2). The Contractor shall furnish these bill of lading copies (i) within 20 working days of the date of loading for shipments originating in the United States, or (ii) within 30 working days for shipments originating outside the United States. Each bill of lading copy shall contain the following information:

(A) Sponsoring U.S. Government agency.

(B) Name of vessel.

(C) Vessel flag of registry.

(D) Date of loading.

(E) Port of loading.

(F) Port of final discharge.

(G) Description of commodity.

(H) Gross weight in pounds and cubic feet if available.

(I) Total ocean freight revenue in U.S. dollars

(d) The Contractor shall insert the substance of this clause, including this paragraph (d), in all subcontracts or purchase orders under this contract, except those described in paragraph (e)(4).

(e) The requirement in paragraph (a) does not apply to—

(1) Cargoes carried in vessels as required or authorized by law or treaty;

(2) Ocean transportation between foreign countries of supplies purchased with foreign currencies made available, or derived from funds that are made available, under the Foreign Assistance Act of 1961 (22 U.S.C. 2353);

(3) Shipments of classified supplies when the classification prohibits the use of non-Government vessels; and

(4) Subcontracts or purchase orders for the acquisition of commercial items unless—

(i) This contract is—

(A) A contract or agreement for ocean transportation services; or

(B) A construction contract; or

(ii) The supplies being transported are—

(A) Items the Contractor is reselling or distributing to the Government without adding value.

(Generally, the Contractor does not add value to the items when it subcontracts items for f.o.b. destination shipment); or

(B) Shipped in direct support of U.S. military—

(1) Contingency operations;

(2) Exercises; or

(3) Forces deployed in connection with United Nations or North Atlantic Treaty Organization humanitarian or peacekeeping operations.

(f) Guidance regarding fair and reasonable rates for privately owned U.S. flag - commercial vessels may be obtained from the:

Office of Cargo Preference and Domestic Trade Maritime Administration 1200 New Jersey Avenue, S.E. Washington DC 20590 Phone: (202) 366-4610

#### **4. Single Audit Information for Recipients of Recovery Act Funds Requirements**

(a) To maximize the transparency and accountability of funds authorized under the American Recovery and Reinvestment Act of 2009 (Pub. L. 111–5) (Recovery Act) as required by Congress and in accordance with 2 CFR 215.21 “Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations” and OMB Circular A–102 “Grants and Cooperative Agreements with State and Local Governments.” Common Rules provisions, recipients agree to maintain records that identify adequately the source and application of Recovery Act funds. OMB Circular A–102 is available at <http://www.whitehouse.gov/omb/circulars/a102/a102.html>.

(b) For recipients covered by the Single Audit Act Amendments of 1996 and OMB Circular A–133, “Audits of States, Local Governments, and Non-Profit Organizations,” recipients agree to separately identify the expenditures for Federal awards under the Recovery Act on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF–SAC) required by OMB Circular A–133. OMB Circular A–133 is available at <http://www.whitehouse.gov/omb/circulars/a133/a133.html>. This shall be accomplished by identifying expenditures for Federal awards made under the Recovery Act separately on the SEFA, and as separate rows under Item 9 of Part III on the SF–SAC by CFDA number, and inclusion of the prefix “ARRA-” in identifying the name of the Federal program on the SEFA and as the first characters in Item 9d of Part III on the SF–SAC.

(c) Recipients agree to separately identify to each subrecipient, and document at the time of subaward and at the time of disbursement of funds, the Federal award number, CFDA number, and amount of Recovery Act funds. When a recipient awards Recovery Act funds for an existing program, the information furnished to subrecipients shall distinguish the subawards of incremental Recovery Act funds from regular subawards under the existing program.

(d) Recipients agree to require their subrecipients to include on their SEFA information to specifically identify Recovery Act funding similar to the requirements for the recipient SEFA described above. This information is needed to allow the recipient to properly monitor subrecipient expenditure of ARRA funds as well as oversight by the Federal awarding agencies, Offices of Inspector General and the Government Accountability Office.

**ATTACHMENT D**  
**MONTHLY PROGRESS REPORTS**  
**FORMAT AND CONTENT**

**[Note: Subject to 44 (USC 3501) under the Paperwork Reduction Act, the grantee shall submit monthly progress reports as described in this Attachment].**

The purpose of the monthly progress reports is to ensure that the project budget and schedule will be maintained to the maximum extent possible, that the project will be completed with the highest degree of quality, and that compliance with Federal regulations will be met.

The Grantee should develop a project reporting and tracking system to collect, assess and maintain project status information and data that is timely, independent, and accurate. This system should provide current information on project prosecution, progress, changes, and issues. This information should be used to identify trends and forecast project performance and to identify and proactively address challenges to eliminate major project surprises.

The need to continuously and accurately report cost increases; schedule changes; deficient quality items; and the causes, impacts, and proposed measures to mitigate these issues is paramount to effectively managing, administering, and protecting the public investment in the project. Any apparent reporting deficiencies or questionable data should be completely resolved. Ultimately, the Grantee and the Government must be fully aware of the complete status of the project, and therefore be in a position to take appropriate action if necessary.

A monthly cost, schedule, and status report will be produced by the Grantee, and a status meeting will be held with the Grantee at least quarterly, with the Government and other applicable agencies in attendance. The quarterly status meetings should discuss the project costs, schedules, quality issues, compliance with Federal requirements, and other status items in sufficient enough detail to allow all involved parties to be fully aware of the significant status issues and actions planned to mitigate any adverse impacts. In addition, significant issues occurring between status meetings must be communicated immediately without waiting for the next regularly scheduled meeting, with any highly significant or sensitive issues elevated immediately to the executive leadership.

The following is the required format for the monthly status reports. At the discretion of the Government, modifications or additions can be made in order to produce a monthly reporting format that will most effectively serve both the Grantee and the Government. It is recognized that some projects will have a more extensive monthly status than others. In the case of smaller projects, the content of the monthly reports will be streamlined and project status meetings will be held on a less-frequent basis.

Please note that the initial monthly progress report should include a detailed description, and where appropriate, drawings, of the items funded.

**1. Executive Summary.** The executive summary should be a clear and concise summary of the current status of the project, including any major issues that have an impact on the project's scope, budget, schedule, quality, or safety. It may be done in a bulleted format. The following summary information is an example of items that should be covered in the Executive Summary section:

- Current total project cost (forecast) vs. latest budget vs. baseline budget. Include an explanation of the reasons for any deviations from the approved budget.
- Current overall project completion percentage vs. latest plan percentage.
- Any delays or exposures to milestone and final completion dates. Include an explanation of the reasons for the delays and exposures.
- A summary of the projected and actual dates for notices to proceed for significant contracts, start of construction, start of expenditure of TIGER Discretionary Grant funds, and project completion date. Include an explanation of the reasons for any discrepancies from the corresponding project milestone dates included in the Grant Agreement.
- Any Federal obligations and/or TIFIA disbursements occurring during the month versus planned obligations or disbursements.
- Any significant contracts advertised, awarded, or completed.
- Any significant scope of work changes.
- Any significant items identified as having deficient quality.
- Any significant safety issues.
- Any significant Federal issues such as environmental compliance, Buy America, Davis Bacon Act Prevailing Wage requirements, etc.

**2. Project Activities and Deliverables.** The purpose of this section is to: (1) highlight the project activities and deliverables occurring during the previous month (reporting period), and (2) define the activities and deliverables planned for the next two reporting periods. Activities and deliverables to be reported on should include meetings, audits and other reviews, design packages submitted, advertisements, awards, construction submittals, construction completion milestones, submittals related to Recovery Act requirements, media or Congressional inquiries, value engineering/constructability reviews, and other items of significance. The two-month "look ahead schedule" will enable the Government to accommodate any activities requiring input or assistance.

**3. Action Items/Outstanding Issues.** This section should draw attention to, and track the progress of, highly significant or sensitive issues requiring action and direction in order to resolve. In general, issues and administrative requirements that could have a significant or adverse impact to the project's scope, budget, schedule, quality, safety, and/or compliance with Federal requirements should be included. Status, responsible person(s), and due dates should be included for each action item/outstanding issue. Action items requiring action or direction should be included in the quarterly status meeting agenda. The action items/outstanding issues may be dropped from this section upon full implementation of the remedial action, and upon no further monitoring anticipated.

**4. Project Schedule.** An updated master program schedule reflecting the current status of the program activities should be included in this section. A Gantt (bar) type chart is probably the most appropriate for monthly reporting purposes, with the ultimate format to be agreed upon between the Grantee and the Government. It is imperative that the master program schedule be integrated, i.e., the individual contract milestones tied to each other, such that any delays occurring in one activity will be reflected throughout the entire program schedule, with a realistic completion date being reported.

Narratives, tables, and/or graphs should accompany the updated master program schedule, basically detailing the current schedule status, delays and potential exposures, and recovery efforts. The following information should also be included:

- Current overall project completion percentage vs. latest plan percentage.
- Completion percentages vs. latest plan percentages for major activities such as right-of-way, major or critical design contracts, major or critical construction contracts, and significant force accounts or task orders. A schedule status description should also be included for each of these major or critical elements.
- Any delays or potential exposures to milestone and final completion dates. The delays and exposures should be quantified and overall schedule impacts assessed. The reasons for the delays and exposures should be explained, and initiatives being analyzed or implemented in order to recover the schedule should be detailed.

**5. Project Cost.** An updated cost spreadsheet reflecting the current forecasted cost vs. the latest approved budget vs. the baseline budget should be included in this section. One way to track project cost is to show: (1) Baseline Budget, (2) Latest Approved Budget, (3) Current Forecasted Cost Estimate, (4) Expenditures or Commitments To Date, and (5) Variance between Current Forecasted Cost and Latest Approved Budget. Line items should include all significant cost centers, such as prior costs, right-of-way, preliminary engineering, environmental mitigation, general engineering consultant, section design contracts, construction administration, utilities, construction packages, force accounts/task orders, wrap-up insurance, construction contingencies, management contingencies, and other contingencies. The line items can be broken-up in enough detail

such that specific areas of cost change can be sufficiently tracked and future improvements made to the overall cost estimating methodology. A Program Total line should be included at the bottom of the spreadsheet.

Narratives, tables, and/or graphs should accompany the updated cost spreadsheet, basically detailing the current cost status, reasons for cost deviations, impacts of cost overruns, and efforts to mitigate cost overruns. The following information should be provided:

- Reasons for each line item deviation from the approved budget, impacts resulting from the deviations, and initiatives being analyzed or implemented in order to recover any cost overruns.
- Transfer of costs to and from contingency line items, and reasons supporting the transfers.
- Speculative cost changes that potentially may develop in the future, a quantified dollar range for each potential cost change, and the current status of the speculative change. Also, a comparison analysis to the available contingency amounts should be included, showing that reasonable and sufficient amounts of contingency remain to keep the project within the latest approved budget.
- Detailed cost breakdown of the general engineering consultant (GEC) services (if applicable), including such line items as contract amounts, task orders issued (amounts), balance remaining for tasks, and accrued (billable) costs.
- Federal obligations and/or TIFIA disbursements for the project, compared to planned obligations and disbursements.

**6. Project Funding Status.** The purpose of this section is to provide a status report on the non-TIGER Discretionary Grant funds necessary to complete the project. This report section should include a status update of any legislative approvals or other actions necessary to provide the non-TIGER Discretionary Grant funds to the project. Such approvals might include legislative authority to charge user fees or set toll rates, or the commitment of local funding revenues to the project. In the event that there is an anticipated or actual project cost increase, the project funding status section should include a report on the anticipated or actual source of funds to cover the cost increase and any significant issues identified with obtaining additional funding.

**7. Project Quality.** The purpose of this section is to: (1) summarize the Quality Assurance/Quality Control activities during the previous month (reporting period), and (2) highlight any significant items identified as being deficient in quality. Deficient items noted should be accompanied by reasons and specifics concerning the deficiencies, and corrective actions taken or planned. In addition, the agency or firm responsible for the corrective action should be documented. Planned corrective actions should then be included as Action Items/Outstanding Issues.

**8. Other Status Reports.** The Grantee and the Government may agree that other reports may be beneficial in ensuring that project status issues are fully and openly communicated. Such reports may include the public relations plan, value engineering and constructability review plan, environmental compliance report, and/or compliance with the Buy America requirements.

**ATTACHMENT E**  
**PROJECT BUDGET**

<p><b>Reconstruction of Pier 29 Container Yard, Honolulu Harbor</b></p> <p><b>PROJECT FUNDING</b></p>
---

**Sources and Distribution of Funds**

Reconstruction of Pier 29 Container Yard project funding is a combination of federal, state, and local sources as follows.

TIGER Discretionary Grant	\$24,500,000
Funds from State of Hawaii	<u>\$ 7,000,000</u>
Total Cost	\$31,500,000

TIGER Share	77.7%
MARAD Share	0.0%
State Share	22.3%

<b>UPDATED PROJECT ITEMS &amp; ESTIMATE</b>
---

ITEM	ESTIMATE
Estimated Milestones/Detailed Budget	
Additional Design	\$50,000
Mobilization	\$165,000
Demolition and Removal of AC Pavement	\$1,313,000
Install Utilities	
Water (Domestic, Fire)	\$1,020,000
Sewer	\$114,000
Electrical	\$2,400,000
Drainage	\$2,780,000
Handling and Removal of Grossly Contaminated Soil	\$3,405,000
Handling and Removal of Non-Grossly Contaminated Soil	\$3,929,000
Concrete Pavement	\$12,510,000
Gravel Fill	\$266,000

AC Transition Pavement	\$338,000
Light Poles	\$2,051,000
Striping	\$29,000
Demobilization	\$30,000
<b>Construction Total</b>	<b>\$30,400,000</b>
<b>Construction Management</b>	<b>\$1,100,000</b>
<b>Total</b>	<b>\$31,500,000</b>

## **ATTACHMENT F**

### **PROJECT SCHEDULE**

The Reconstruction of Pier 29 Container Yard –Honolulu Harbor is primed to move forward. (See Attachment H for specific milestone attainment dates). The full project is completely permitted by Federal, state and local agencies. The final design is nearly complete with only minor items to finish and assemblage of a bid package. Bidding and contract award would occur within 90 days of notice of grant award. Construction will take approximately fourteen months to closeout. The entire Reconstruction of Pier 29 Container Yard project would be complete within 607 days or 20.2 months of grant award, demonstrating expeditious use of the federal stimulus funds.

The Reconstruction of Pier 29 Container Yard project is a shovel ready project that fulfills the aims of the American Recovery and Reinvestment Act. The funds provided by the TIGER Discretionary Grant will have immediate and ongoing positive economic impacts across a broad region and numerous communities and industry sectors.

**ATTACHMENT G**  
**TECHNICAL APPLICATION**

**Transportation Infrastructure Generating Economic Recovery  
Discretionary Grant Application**

**State of Hawaii  
Department of Transportation  
Harbors Division**

The Hawaii Department of Transportation, Harbors Division (HDOT Harbors) is responsible for the administration and management of the commercial harbors system. It has embarked on a \$618 million *Harbors Modernization Plan* and respectfully submits its *Transportation Infrastructure Generating Economic Recovery* (TIGER) grant application for federal funding to augment this endeavor. The total funding request is \$95 million to construct commercial harbor improvements at Honolulu, Hilo and Kawaihae harbors. Using a three percent discount rate, **an overall benefit to cost ratio of 2.2 is expected for the project.**

1. ***Reconstruction of Pier 29 Container Yard***, Honolulu Commercial Harbor, Oahu. Funding request: \$24.5 million. This action consists of the reconstruction and improvement of 12 acres of existing yard area to support overseas cargo operations. **A benefit to cost ratio of 3.4 is expected for this action.**
2. ***New Interisland Barge Terminal at Pier 4***, Hilo Commercial Harbor, Hawaii Island. Funding request: \$59 million. The development of a new interisland cargo terminal includes three phases: dredging, yard expansion, and pier construction, supporting interisland cargo operations. **A benefit to cost ratio of 1.5 is expected for this action.**
3. ***Pier 2A Terminal Improvements***, Kawaihae Commercial Harbor, Hawaii Island. Funding request: \$11.5 million. This action will pave 3.1 acres of unpaved backland area at Pier 2A to support interisland cargo operations. **A benefit to cost ratio of 3.1 is expected for this action.**

Honolulu is in the First Congressional District, City and County of Honolulu, State of Hawaii. Hilo and Kawaihae are in the Second Congressional District, County of Hawaii, State of Hawaii. The County of Hawaii is Federally recognized as an Economically Distressed Area. All three commercial harbors serve Hawaii's rural areas.

Point of contact:

Mr. Michael D. Formby, Deputy Director  
Hawaii State Department of Transportation, Harbors Division  
79 South Nimitz Highway; Honolulu, Hawaii 96813  
E-mail: michael.formby@hawaii.gov; Phone: 808-587-3651

Applicant DUNS Number: 144539590

Applicant CCR Registration: 1JCQ4 (CAGE) and 79HARBORS (MPIN)

## CONTENTS

1.	INTRODUCTION.....	1
2.	PROJECT DESCRIPTION.....	2
2.1	Oahu: Honolulu Harbor.....	4
2.2	Hawaii Island.....	6
2.2.1	Hilo Harbor.....	6
2.2.2	Kawaihae Harbor.....	8
3.	SELECTION CRITERIA.....	9
3.1	Primary Selection Criteria: Long Term Impacts.....	9
3.1.1	State of Good Repair.....	9
3.1.2	Economic Competitiveness.....	10
3.1.3	Livability.....	12
3.1.4	Sustainability.....	13
3.1.5	Safety.....	15
3.2	Near-Term Impacts.....	15
3.2.1	Job Creation and Economic Stimulus.....	15
3.2.2	Quick Start Activities: Timeline.....	16
3.3	Benefit-Cost Analysis.....	19
3.4	Secondary Criteria.....	20
3.4.1	Innovation.....	20
3.4.2	Partnership.....	20
3.5	Program-Specific Criteria.....	21
3.5.1	Hawaii Commercial Harbors System: Throughput and Demand.....	21
3.5.2	Efficiency.....	22
3.5.3	Reliability and Resiliency.....	22
3.5.4	Support for US National Security.....	22
3.5.5	External Factors Influencing Need for Project.....	22
4.	Regulatory Requirements.....	23
4.1	Federal Wage Rate Requirement.....	23
4.2	NEPA Requirement.....	23
4.3	Other Environmentally Related Federal, State and Local Actions.....	23
5.	Evaluation of Project Performance.....	24

## FIGURES

Figure 1:	Hawaii Commercial Harbors System.....	1
Figure 2:	Honolulu Harbor and Surrounding Areas.....	4
Figure 3:	Piers 1 and 2 Users.....	5
Figure 4:	Pier 29 Action.....	5
Figure 5:	Hilo Harbor and Surrounding Areas (Without Kumau Street Entrance).....	7
Figure 6:	Cargo and Passenger Interface, Hilo Commercial Harbor (With Project and Kumau Street Entrance).....	7
Figure 7:	Kawaihae Harbor and Surrounding Areas.....	9
Figure 8:	Timeline for TIGER Actions.....	18

## TABLES

Table 1: Summary of the Project and Its Impacts .....	3
Table 2: Direct Construction Jobs by Quarter.....	17
Table 3: Findings from Benefit-Cost Analysis .....	19
Table 4: Funding Sources for Project, by Phase .....	20
Table 5: Average Annual Increase in Cargo Tonnage through Hawaii's Ports and in Gross State Product.....	21
Table 6: Status of Permits and Reviews.....	24

## SUPPLEMENTARY INFORMATION

Supplementary information consists of the benefit-cost analysis, design and environmental documents, economic studies and letters of support. Links are below or at: [www.hawaii.gov/dot/harbors/tiger](http://www.hawaii.gov/dot/harbors/tiger). Login Name: Tiger. Password: TigerHI2009.

### **Benefit-Cost Analysis and Econpack Runs (7 Documents)**

### **Harbors Modernization Plan (Governor's Letter and Fact Sheet)**

### **Reconstruction of Pier 29 Container Yard, Honolulu Harbor**

- Oahu Master Plan
- Design
- Environmental Assessment
- NPDES permit

### **New Interisland Barge Terminal at Pier 4, Hilo Harbor**

- Hawaii Island Master Plan
- Design for dredging and yard area
- Environmental Impact Statement
- Submission to US Army Corps of Engineers for dredging
- NPDES permit for yard

### **Pier 2A Terminal Improvements, Kawaihae Harbor**

- Hawaii Island Master Plan
- Environmental Assessment

### **Economic Studies**

- The Impact of Hawaii's Harbors on the Local Economy*
- Economic Impact Assessment of Hawaii's Harbors*

### **Letters**

- State of Hawaii: The Honorable Linda Lingle, Governor
- Hawaii Department of Transportation: Dr. Brennon T. Morioka, Ph.D., Director of Transportation
- County of Hawaii: The Honorable William P. Kenoi, Mayor
- Hawaii Harbor Users Group: Mr. Gary North, President

Young Brothers, Limited: Mr. Glenn Hong, President  
Aloha Cargo Transport: Mr. Richard Maxwell, Vice President and General  
Manager  
International Longshore & Warehouse Union Local 142: Mr. Wesley Furtado,  
Vice President

NOTE: The Hawaii Congressional delegation is sending a joint letter of support  
directly to Secretary LaHood.

Letter from Michael D. Formby certifying compliance with Federal wage rate  
requirements.

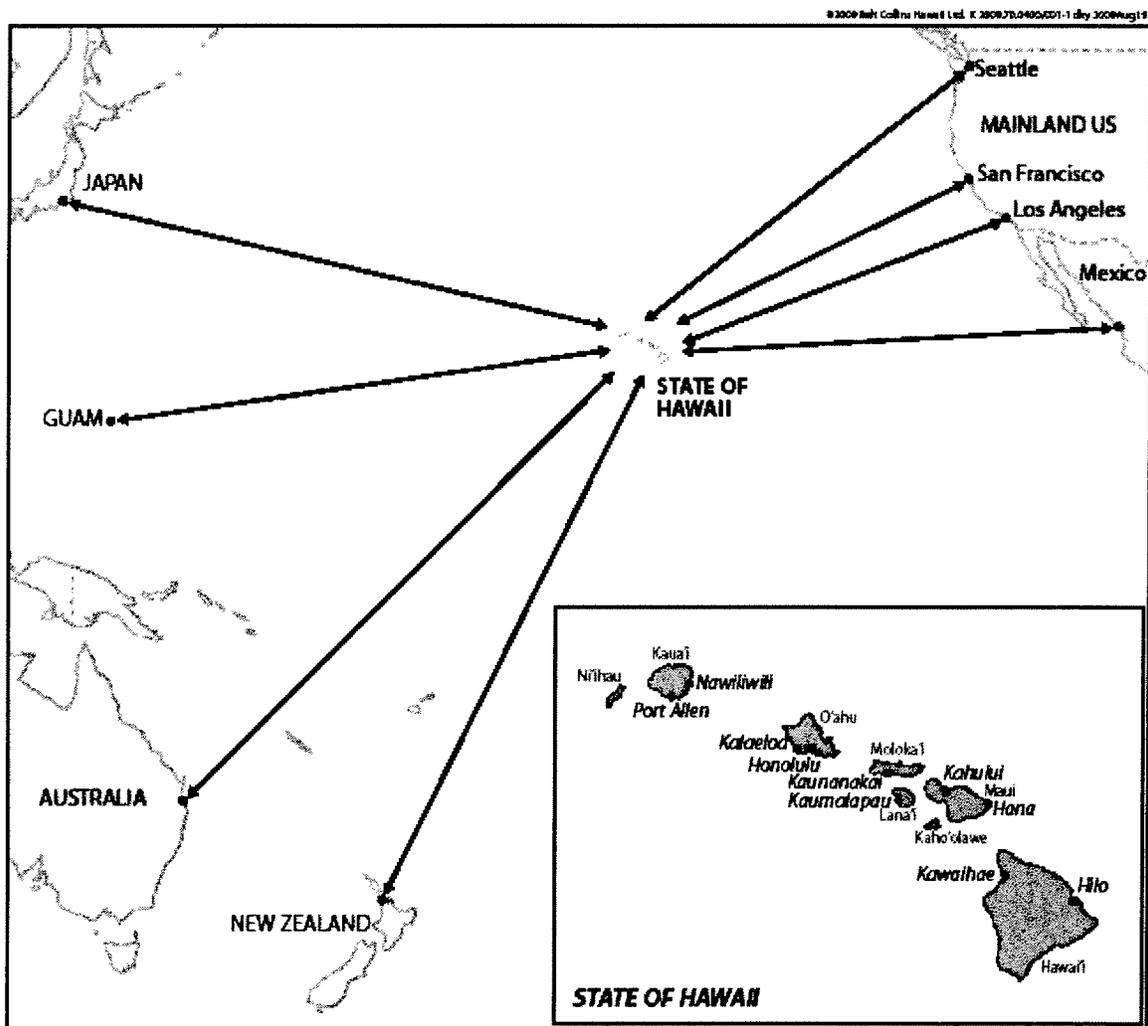
### ACRONYMS AND ABBREVIATIONS

ACT	Aloha Cargo Transport
ADA	Americans with Disabilities Act of 1990
ARRA	American Recovery and Reinvestment Act of 2009
BCA	Benefit-Cost Analysis
DBEDT	Hawaii Department of Business, Economic Development and Tourism
DCAB	Disabilities Communication Access Board (local review of compliance with Americans with Disabilities Act)
EA	Environmental Assessment
EDA	Economically Distressed Area
EIS	Environmental Impact Statement
FONSI	Finding of no significant impact (for HRS 343 EA)
HDOT	Hawaii Department of Transportation
HDOT Harbors	Hawaii Department of Transportation, Harbors Division
HHUG	Hawaii Harbors Users Group
HRS	Hawaii Revised Statutes
HMP	Harbors Modernization Plan
LCL	Less-than-container-load cargo
LEED	Leadership in Energy and Environmental Design
MARAD	United States Department of Transportation, Maritime Administration
Matson	Matson Navigation
NPDES	National Pollutant Discharge Elimination System
NEPA	National Environmental Policy Act
NOFA	Notice of Funding Availability ( <i>Federal Register</i> , June 17, 2009)
NYK	Nippon Yusen Kaisha
PTA	Pohakuloa Training Area
RO/RO	Roll-on/roll-off
TEU	Twenty-foot equivalent unit
TIGER	Transportation Investment Generating Economic Recovery
US	United States of America
USACE	United States Army Corps of Engineers
USDOT	United States Department of Transportation
YB	Young Brothers Limited

# 1. INTRODUCTION

Located in the central Pacific Ocean, Hawaii is an island archipelago situated over 2,000 miles from the nearest significant land mass and is the only state made up entirely of islands. Its residents pay for this geographic isolation with a near absolute dependence on ocean surface transportation for their sustenance. Eighty percent of all consumer goods are imported into Hawaii. Its ports receive and process 98.6 percent of those imports.<sup>1</sup> As such, ocean transportation is Hawaii's lifeline to the world. It supports every facet of the local economy: tourism, construction, national defense, agriculture and all other industries. No other state in the union depends on it to the degree as Hawaii does.

Figure 1: Hawaii Commercial Harbors System



<sup>1</sup> Lee, D. and C. Olive, *Size and Growth Potential of Hawaii's Maritime Industry*. Department of Agriculture and Resource Economics, and Sea Grant College Program, University of Hawaii. Prepared for DBEDT, Ocean Resources Branch. 1994.

Hawaii's economy has grown rapidly since statehood driven by the tourism industry. To support this growth, Hawaii must import food, fuel, raw materials and most consumer goods, increasing the importance of the commercial harbors system for its prosperity and quality of life.

The commercial harbors are severely congested. This condition creates unnecessary delays and increased operational costs, impacting Hawaii's economy. If Hawaii's commercial harbors system is not upgraded to the level necessary to meet future demand, the loss of real gross state product could amount to \$50 billion by 2030.<sup>2</sup> Further, shipping cost to the consumer could be higher by 18 percent by 2030.

Hawaii's commercial harbors system plays a vital role in national security for the Pacific region as Honolulu Harbor is the gateway for military cargo distributed throughout the state and Guam. With the programmed US military buildup in Guam, much of the raw materials and supplies for this effort will be transported from the US Mainland through Honolulu Harbor. In addition, Kawaihae Harbor supports the activities of the US Army's Pohakuloa Training Area, which is mission-critical for the 25<sup>th</sup> Infantry Division.

To address congested conditions effectively, HDOT Harbors partnered with the Hawaii Harbors Users Group (HHUG) to develop a system-wide *Harbors Modernization Plan* (HMP). The plan identifies infrastructure improvements to address projected increases in the ocean transportation of cargo and passengers through 2030. HHUG is a self-funded, non-profit corporation, bringing together maritime industry representatives. HHUG supports increases in tariffs to cover the required capital improvements.<sup>3</sup> However, during the current recession, cargo volumes and HDOT Harbors' revenues have declined, so Federal support is essential to realize the HMP goals.

In 2005, the US Department of Transportation, Maritime Administration (MARAD) established a partnership with HDOT Harbors to assist in the modernization of the commercial harbors system. In 2009, MARAD awarded a program management contract for Hawaii port infrastructure projects. MARAD will provide federal oversight of expenditures and work, act as a central procurement organization, and leverage funding resources. TIGER awarded funds will be handled under this contract.

## 2. PROJECT DESCRIPTION

The project combines three actions:

- Reconstruction of Pier 29 Container Yard, Honolulu Harbor, Oahu
- New Interisland Barge Terminal at Pier 4, Hilo Harbor, Hawaii Island
- Pier 2A Terminal Improvements, Kawaihae Harbor, Hawaii Island

---

<sup>2</sup> Dr. Leroy Laney. *The Impact of Hawaii's Harbors on the Local Economy*. Prepared for HHUG. 2007.

<sup>3</sup> Mercator Transport Group. *HHUG Report on Port Facilities & Development Priorities*. Bellevue, WA, 2005; HMP announcement and fact sheet, posted at <http://hawaii.gov/dot/harbors/whats-new/harbors-modernization-plan>.

These actions were selected as shovel ready. They support both domestic and foreign movement of goods. Each action will significantly improve efficiency, safety, livability and sustainability of commercial harbor operations; increase economic competitiveness; and support national security. Table 1 shows key impacts and where major TIGER criteria are described in the application.

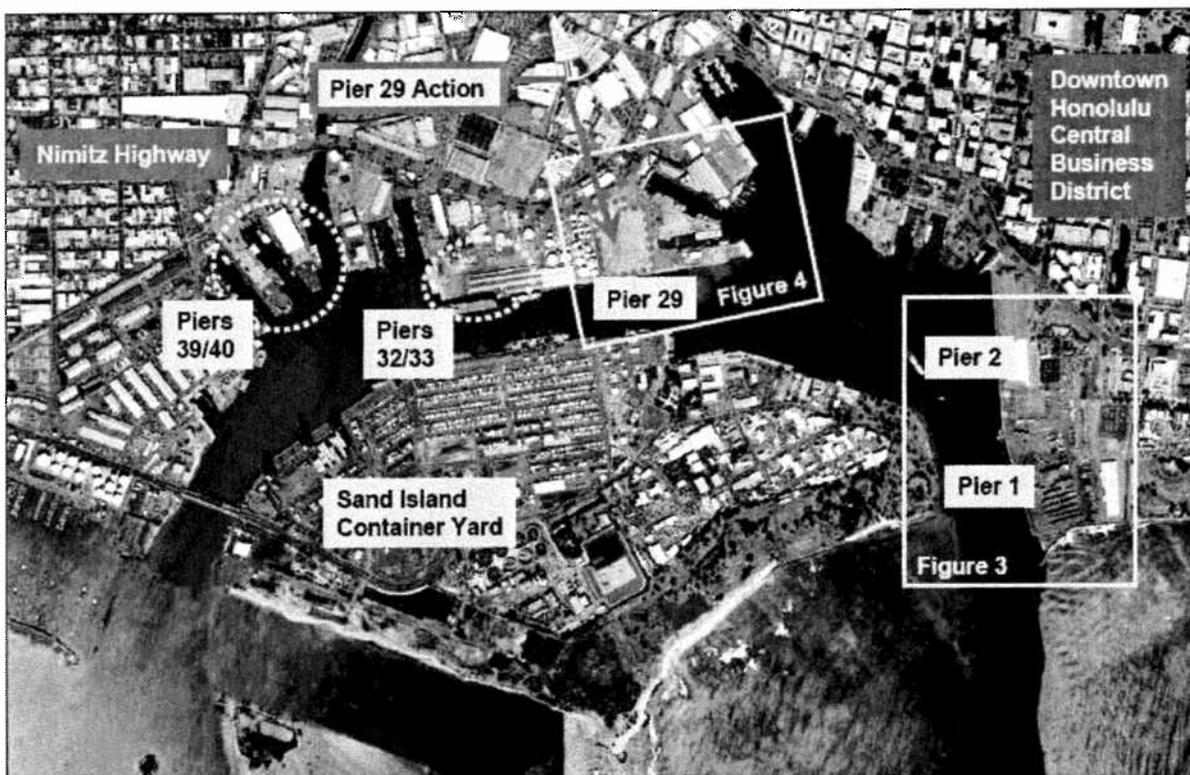
**Table 1: Summary of the Project and Its Impacts**

<b>ACTIONS</b>	<b>Reconstruction of Pier 29 Container Yard, Honolulu</b>	<b>New Interisland Barge Terminal, Hilo</b>	<b>Pier 2A Terminal Improvements, Kawaihae</b>
TIGER Funds (Million \$s)	\$24.5	\$59.0	\$11.5
Funds from State of Hawaii	<u>\$7.0</u>	<u>\$18.3</u>	<u>\$1.8</u>
Total Cost	\$31.5	\$77.3	\$13.5
TIGER share	77.7%	76.4%	85.2%
MARAD share	0.0%	0.0%	1.5%
State share	22.3%	23.6%	13.3%
Start date (TIGER-funded work)	August 2010	November 2009	August 2010
Construction completion	December 2011	December 2011	August 2011
<b>IMPACTS</b>			
<b>Short-term Job Creation</b>	Section 3.2: Construction jobs plus associated indirect and induced jobs in regional economy		
Direct construction jobs	146	362	60
Indirect and induced jobs	158	390	65
New wages (Millions)	19	46	8
<b>Long-Term Outcomes</b>			
State of Good Repair	Section 3.1.1: Rebuild damaged yards, expand usable yard area		
Economic Competitiveness	Section 3.1.2: Increase efficiency in cargo movement; support economic diversification; support Economically Distressed Area		
Livability	Section 3.1.3: Reroute trucks away from downtown Honolulu; reduce dust affecting harbor neighbors; support rural areas dependent on LCL cargo		
Sustainability	Section 3.1.4: Reduce fuel consumption and greenhouse gas emissions, extend life of infrastructure		
Safety	Section 3.1.5: Reduce risk of injuries in cargo yards and accidents at surrounding roadways		
<b>Secondary Criteria</b>			
Innovation	Section 3.4.1: Mitigation of contaminated soils, Honolulu; LEED silver design; support for new gate control system by operator		
Collaboration	Section 3.4.2: Collaboration with maritime users, local agencies, other modal divisions of Hawaii DOT, MARAD		

## 2.1 Oahu: Honolulu Harbor

Located on the southern coast of Oahu, Honolulu Harbor is the hub of Hawaii's commercial harbors system from where cargo is distributed throughout Oahu and to the Neighbor Islands. In 2008, it handled 1,124,388 twenty-foot equivalent units (TEUs) ranking it 15<sup>th</sup> in North American ports.<sup>4</sup> The primary inter-modal link is Nimitz Highway, which runs along the north border of the harbor and provides access to the H-1 Interstate Highway. See Figure 2 for details.

Figure 2: Honolulu Harbor and Surrounding Areas



Currently, cargo is handled primarily in four locations: Piers 1 and 2, Piers 32 and 33, Piers 39 and 40, and Sand Island. Piers 1 and 2 serve two interstate shipping lines (Matson Navigation Company, Inc. [Matson] and Aloha Cargo Transport, Inc. [ACT]), an international carrier (Nippon Yusen Kaisha Line [NYK]), passenger lines and activities at the Pier 2 Cruise Terminal, and the Foreign Trade Zone. Figure 3 shows how cargo yards are allocated.

In 2008, the Pier 29 yard suffered structural failures, displacing ACT. It remains unusable today. *Reconstruction of Pier 29 Container Yard* action will permit ACT, currently operating at Pier 1, to return to Pier 29. This action will add approximately 12 acres of upgraded cargo yard and increase efficiency and safety in Honolulu Harbor.

<sup>4</sup> AAPA. <http://aapa.files.cms-plus.com/Statistics/NORTHAMERICANPORTCONTAINERTRAFFIC2008.pdf>

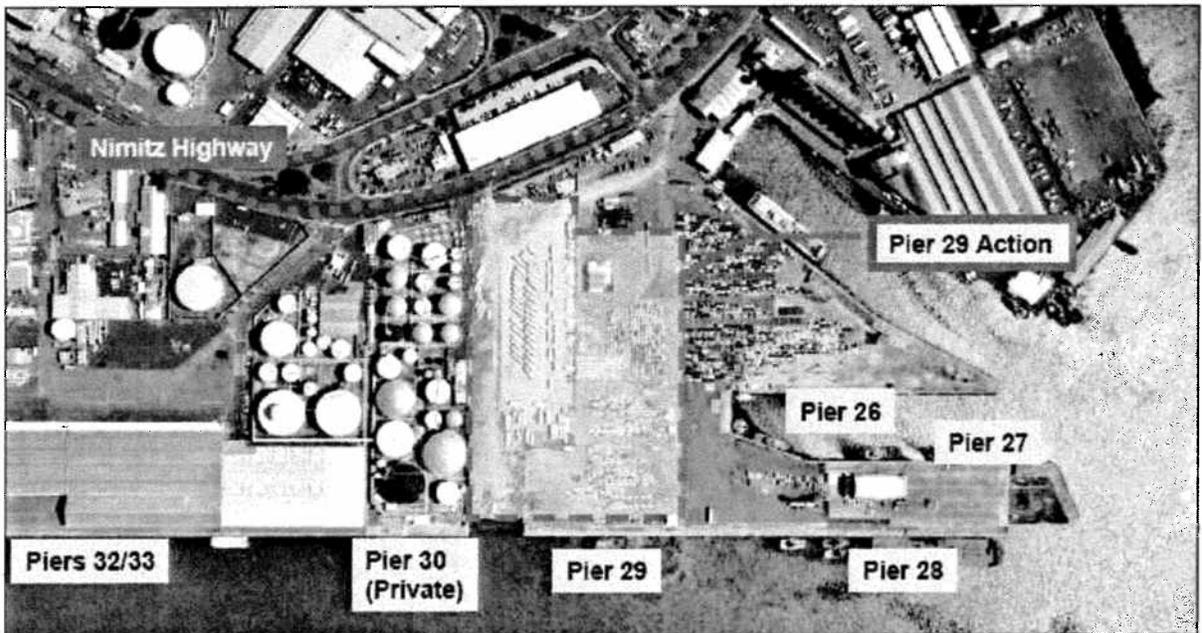
Other improvements include construction of new drainage, water, lighting, sewer, fire protection and electrical systems. The action will also contain contaminated soils. Figure 4 shows the Pier 29 action and its proximity to Nimitz Highway, the major highway linking to the interstate highway system.

Figure 3: Piers 1 and 2 Users



Note: NYK uses a part of ACT's yard when necessary. Also, Matson uses ACT's yard at times, transferring cargo through the NYK yard.

Figure 4: Pier 29 Action



Relocating ACT cargo operations from Pier 1 to Pier 29 will eliminate untenable working conditions at Piers 1 and 2, and allow the remaining users to work more efficiently when multiple vessels berth alongside. Cargo moving between ACT and Young Brothers Limited's (YB) Piers 39 and 40 terminal will travel 1.7 miles less, and avoid congestion in the downtown area.<sup>5</sup> Also, because Pier 29 is located west of downtown Honolulu and closer to the H-1 Interstate Highway. Additional benefits include lower fuel consumption by truckers because of reduced travel distances and time. This will in turn reduce greenhouse gas emissions.

HDOT Harbors completed a Hawaii State Environmental Assessment (EA) finding of no significant impact (FONSI) in June 2009. If TIGER funding is awarded to this action, National Environmental Policy Act (NEPA) review is expected to be completed within 6 months. HDOT Harbors will complete design documents by October 2009. The action will be advertised for construction bid by November 2009.

## **2.2 Hawaii Island**

Hawaii Island is located about 183 nautical miles from Honolulu Harbor. It depends on its two commercial harbors for supplies and exports. Hawaii County contains major resort areas, coffee and nut farms, and a wide range of diversified agriculture. It contains Pohakuloa Training Area (PTA), the largest US Army training area in Hawaii. While soldiers are flown in, all supporting equipment and vehicles are shipped from Oahu to Kawaihae Harbor and driven to the site. In addition, Mauna Kea is home to 13 international observatories. Still, Hawaii County is designated as an Economically Distressed Area (EDA) based on its high unemployment rate.

### **2.2.1 Hilo Harbor**

Hilo Harbor, as shown on Figure 5, is located on the northeastern portion of Hawaii Island. It is the farthest commercial harbor in the state from Honolulu Harbor. The primary inter-modal link is Kalaniana'ole Avenue, connecting the harbor to the rest of the island. Hilo Harbor has only 3 piers and is constrained in terms of berth and yard space. YB operates a roll-on/roll-off (RO/RO) interisland barge operation from Pier 2 that services the entire east side of Hawaii Island.

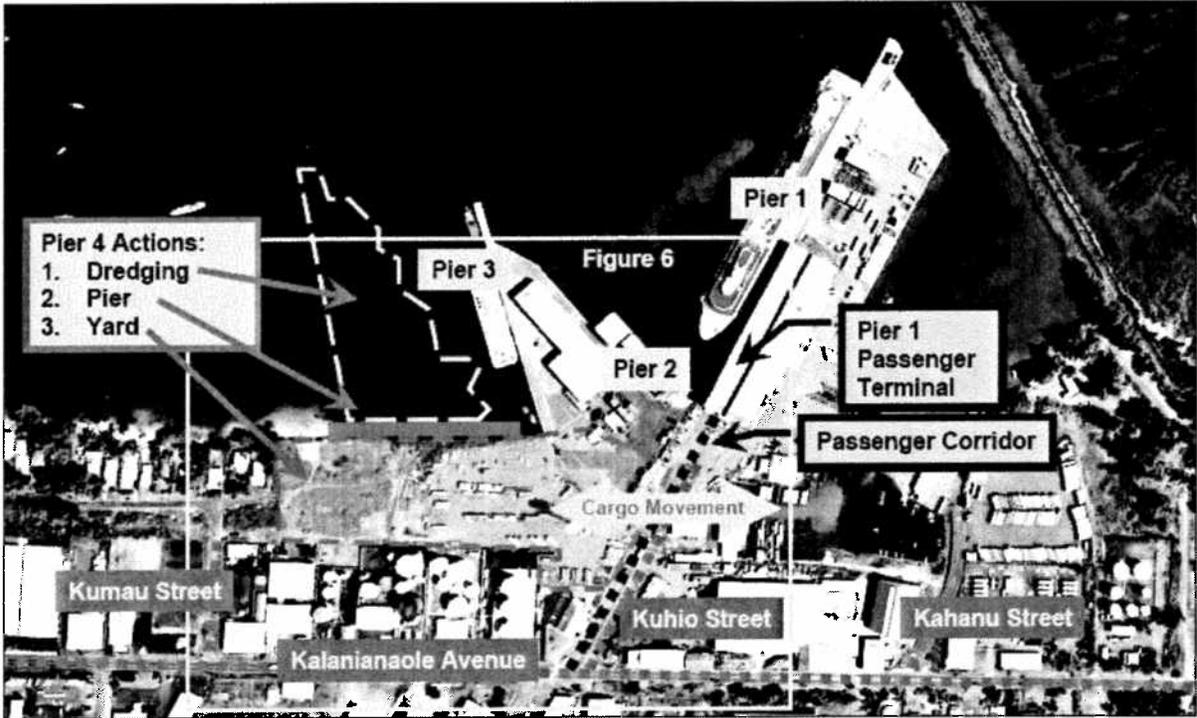
Pier 2 has insufficient yard capacity for YB. In addition, the Pier 2 yard is in poor condition with uneven pavement surfaces and structural failures. These conditions increase operational costs and create safety hazards.

Currently, YB's heavy equipment moves across Kuhio Street, where cruise passengers walk to the surrounding community. Due to the lack of storage space, YB stacks and moves containers alongside the passenger corridor. The *New Interisland Barge Terminal at Pier 4* will separate cargo from passenger activities. Figure 6 shows the separation once the development is completed.

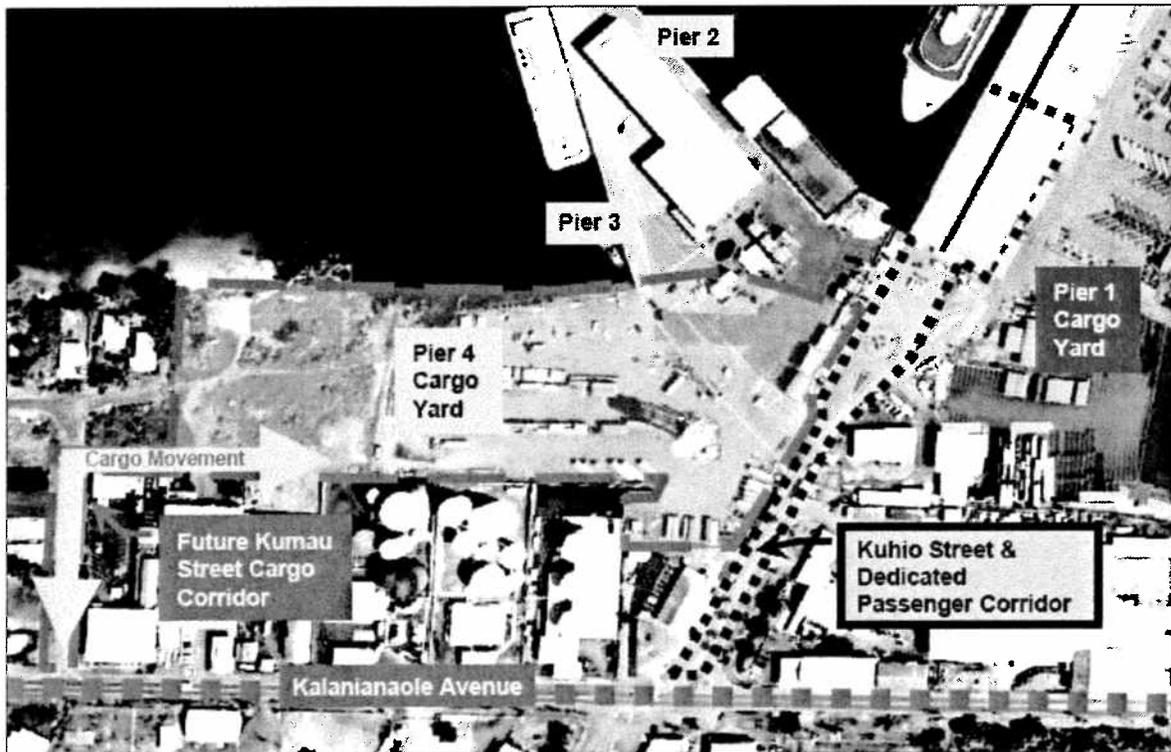
---

<sup>5</sup> Approximately a quarter of ACT cargo is transshipped by YB to or from Neighbor Island ports.

**Figure 5: Hilo Harbor and Surrounding Areas  
(without Kumau Street Entrance)**



**Figure 6: Cargo and Passenger Interface, Hilo Commercial Harbor  
(with Kumau Street Entrance)**



The *New Interisland Barge Terminal at Pier 4* includes three phases:

1. Dredging of approximately 165,000 cubic yards of materials to allow barge access to Pier 4. Some of the fill material needed on-site is expected to come from the dredged material, which will reduce the cost of both phases of the development.
2. Reconstructing and expanding the existing yard. Other improvements include upgrading utilities and lighting, construction of a new comfort station, perimeter security fencing and a new terminal gate to improve traffic movement.
3. Construction of a new 686-foot-long by 50-foot-wide pier and its associated improvements, drainage and fender systems, and pier-side utility hatches for water and electricity.

The improvements will increase berth capacity at Hilo harbor by 26.3 percent and expand cargo handling and storage space by 16.5 percent.

Following project completion, a new entrance gate at Kumau Street will provide direct access to Pier 4, separating commercial traffic from passenger activities. HDOT Harbors is committed to the estimated \$5 million cost for this non-action improvement. Design is expected to start mid-2010.

HDOT Harbors completed a Hawaii State Environmental Impact Statement (EIS) in August 2001. If TIGER funding is awarded to this action, NEPA review is expected to be completed with 8 months. HDOT Harbors completed dredging and yard design documents in June 2008. The dredging and yard contracts were awarded in April 2009. The dredging action is pending issuance of a US Army Corps of Engineers (USACE) permit. Design efforts for the pier are under way.

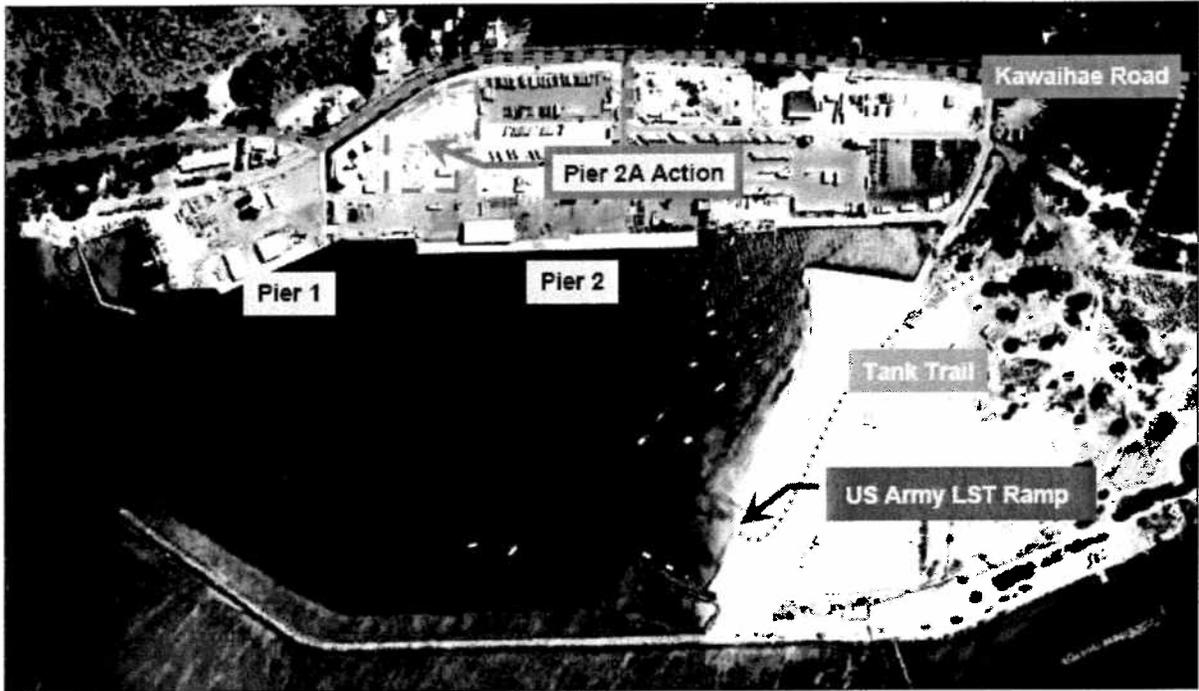
### **2.2.2 Kawaihae Harbor**

Kawaihae Harbor, as shown on Figure 7, serves the entire west side of Hawaii Island. It supports important economic generators, notably the Kohala and Kona Coast resorts, the US Army training area and the Natural Energy Laboratory of Hawaii. The inter-modal link is Kawaihae Road.

Kawaihae Harbor has two piers. Its improved yard space is insufficient for current needs. YB operates interisland barge service at Pier 2A. The Pier 2A action area highlighted in yellow is unimproved, not level and unusable due to dust and dirt impacts on cargo and the neighboring community. In addition, the unimproved yard cannot support state-of-the-art cargo handling equipment.

The *Pier 2A Terminal Improvements* action includes paving of 3.1 acres that will increase the operational acreage of the harbor by 11.8 percent. Two existing structures, the Hawaii District office and a comfort station, will be demolished. A new Leadership in Energy and Environmental Design (LEED) Silver and American with Disabilities Act of 1990 (ADA) compliant office and comfort stations will be built.

**Figure 7: Kawaihae Harbor and Surrounding Areas**



Working with MARAD, HDOT Harbors completed a joint Hawaii State and NEPA EA in February 2009 covering the Pier 2A action. Design activities have started and are expected to be completed by early 2010.

Kawaihae Road connects to Queen Kaahumanu Highway, where cargo is then distributed throughout the island. Two independent roadway actions will improve traffic conditions on Kawaihae Road and support increased harbor capacity. First, in a collaborative effort between HDOT Highways and Harbors, roadway improvements such as additional turning lanes will be made. This action will immediately improve traffic conditions by increasing roadway capacity and safety. Eventually, the Kawaihae Bypass Road project will modernize the inter-modal connection for the entire region by providing a new roadway to access the harbor.

### **3. SELECTION CRITERIA**

#### **3.1 Primary Selection Criteria: Long Term Impacts**

##### **3.1.1 State of Good Repair**

The project meets all three Notice of Funding Availability (NOFA) criteria:

1. *Is a goal of the project to rehabilitate, reconstruct or upgrade surface transportation projects that threaten future economic growth and stability due to poor condition?*

Yes. All three actions address deficiencies in commercial harbors infrastructure that reduce capacity and efficiency for cargo movement:

- a. *Reconstruction of Pier 29 Container Yard.* In 2008, the Pier 29 yard suffered structural failures displacing ACT operations to Pier 1. This action adds approximately 12 acres of upgraded cargo yard. It increases efficiency and safety both at Pier 29 and at Piers 1 and 2 by increasing capacity and reducing congestion. In addition, this action contains contaminated soils under the Pier 29 yard.
  - b. *New Interisland Barge Terminal at Pier 4.* Hilo Pier 2 has insufficient yard space for the volume and variety of cargo it handles. In addition, the Pier 2 yard is in poor condition with uneven pavement surfaces and structural failures. This action increases yard and berth space, and locates cargo handling close to the pier. Once the Kumau Street gate is built (after the current project), it will separate cargo and passenger activities by providing a dedicated passenger corridor through Kuhio Street.
  - c. *Pier 2A Terminal Improvements.* At Kawaihae Harbor, the action provides improved yard area by paving and leveling 3.1 acres to match the current yard. The upgraded yard supports efficient cargo handling and storage.
  - d. In all three cases, yard improvements enhance cargo handling efficiency, reduce wear and tear on heavy equipment, and extend the service life of that equipment.
2. *Is the project capitalized up front and using asset management approaches that optimize its long-term cost structure?* Yes. HDOT Harbors has long managed the ports, planned for both short- and long-term needs, and paid for improvements through its special fund. Infrastructure maintenance is programmed to maximize the useful life of HDOT Harbors' assets.
3. *Is there a sustainable source of revenue available for long-term operations and maintenance?* Yes. HDOT Harbors operates as a tariff based system with a dedicated source of revenue. On average, HDOT Harbors spends between \$25 and \$30 million on infrastructure improvements and \$15 million for maintenance annually. Tariff increases are planned for 2010.<sup>6</sup>

### **3.1.2 Economic Competitiveness**

Hawaii depends on an efficient commercial harbors system to support its economy. If dependable and efficient ocean surface transportation were disrupted, its economy would be severely impaired. All three actions create or preserve jobs throughout the economy and support additional job-creation in emerging industries.

The project meets all four NOFA criteria:

---

<sup>6</sup> The proposed rules are posted at <http://hawaii.gov/dot/harbors/whats-new/proposed-administrative-rules-to-adjust-tariffs>.

1. *"The quality of jobs as well as the number of jobs will be considered ..."* The project supports economic diversification on Hawaii Island, including development of a high-tech industry (discussed later in this section) in which Hawaii is a world leader.
2. *"Whether these jobs provide employment in Economically Distressed Areas (EDAs)..."* On Hawaii Island, the average per capita income falls below 80 percent of the national average, making the county an EDA.<sup>7</sup> The two actions at the island's commercial harbors will support growth of local export industries as well as new technology associated with Hawaii's renewable energy and astronomy initiatives.

On Oahu, most stevedores are from the Leeward Coast. This is an area with historically low wages and high unemployment. While the City and County of Honolulu does not qualify as an EDA, the area most affected by port workers' income is recognized as economically depressed.

3. *How does the project improve long-term efficiency, reliability or cost-competitiveness in the movement of workers or goods?* The expansion and upgrading of cargo yards in close proximity to the piers and major inter-modal roadways lead to more efficient cargo handling, movement of container traffic and storage operations. This lowers operating costs and speeds delivery of cargo to shippers. As described in the BCA, the net savings (in reduced workhours, reduced fuel costs, improved investment life of equipment, and workforce safety) due to increased efficiency is projected between \$105 and \$139 million over thirty years of operations.

Increased handling efficiency translates into lower distribution costs for all businesses in Hawaii, and ultimately for consumers. With commercial harbors space severely constrained in many areas, productivity gains allow more cargo to be handled within the available yard area. Hence, the actions reduce or defer the need for future investment in harbor working areas which will arise as cargo volumes increase over time.

4. *How does the project make improvements that allow for expansion, hiring, or other growth of private sector production, particularly in EDAs?* The project supports the growth of other businesses throughout Hawaii. On Hawaii Island, these include the export of bottled deep sea water and of activated carbon produced from nut shells. Visitor industry growth creates opportunities for small business as well as resort operators.

*Additional Information.* Specific industries highly dependent on the ports include:

- *The Visitor Industry.* Tourism is Hawaii's main industry. It attracts some seven million visitors a year. International visitor expenditures amount to \$4 billion or more annually.<sup>8</sup> The tourist industry relies on food, fuel, raw materials and consumer goods imported through the commercial harbors system.

---

<sup>7</sup> Based on 2007 per capita average income analyzed by Bureau of Economic Analysis. Posted at [http://hepgis.fhwa.dot.gov/hepgis\\_v2](http://hepgis.fhwa.dot.gov/hepgis_v2).

<sup>8</sup> DBEDT. *2007 Annual Visitor Research Report*. Posted at <http://hawaii.gov/dbedt/info/visitor-stats/visitor-research/>.

- *Exports.* Hawaii exports to Asia include agricultural products (e.g., Kona coffee from Hawaii Island) and, in recent years, bottled deep sea water. Bottled water is produced by distillation of water pumped from 3,000 feet below sea level at the Natural Energy Laboratory of Hawaii. Export markets include Japan and South Korea. The value of this export climbed from less than \$1 million in 2002 to \$39 million annually in 2007.
- *New Investment in the United States.* Hawaii attracts outside investment because of its unique location and climate. It competes with foreign sites in agriculture and astronomy. Notably, the Canadian and US astronomers developing the \$1.2 billion Thirty Meter Telescope project considered two sites: Mauna Kea on Hawaii Island and Chile. Mauna Kea was selected, pending completion of environmental reviews. Construction is scheduled to begin in 2010 and be completed by 2018. Sensitive instruments, mirrors, and large volumes of construction materials must pass through the commercial harbors, be staged near the harbors, and then be moved to the project site.

The new observatory will bring hundreds of construction jobs, plus an estimated 140 permanent direct operations jobs. In 2009 dollars, the direct operations wages amount to about \$10.5 million annually. In addition, firms specializing in adaptive optics are developing a local technology sector.

The US government is already investing in improvements to Saddle Road near the base of Mauna Kea. Improved yards in the Hawaii Island commercial harbors will help to assure that Hawaii Island can support its leading technology sector.

### 3.1.3 Livability

Honolulu has been ranked as the “most livable” city in the United States, in part because of its commitment to public transportation.<sup>9</sup>

The project meets all four NOFA criteria:

1. *How does the project enhance user mobility through the creation of more convenient transportation options?* All three actions increase livability by improving the quality of life for the community:
  - a. *Reconstruction of Pier 29 Container Yard.* This action reduces truck traffic on busy and congested roadways through the urban center near Piers 1 and 2 by relocating much of the traffic to the west of Downtown, towards Pier 29 and onward. Since Pier 29 is closer to nearly all truckers’ destinations, this action helps to reduce fuel consumption and greenhouse emissions.
  - b. *New Interisland Barge Terminal at Pier 4.* This action separates cruise passenger and cargo movements, increasing safety and improving visitors’ experience.

---

<sup>9</sup> *Monocle*, July 2009.

- c. *Pier 2A Terminal Improvements.* Relocation of the Kawaihae Harbor office to outside of the regulated area will improve community access to HDOT Harbors' personnel and services.
2. *Does the project enhance points of modal connectivity or reduce congestion on existing modal assets?* Yes. All the actions reduce congestion (as documented above and quantified in the BCA). The Hilo action leads to new and safer traffic patterns by separating cargo from passenger activities.
3. *Does the project improve accessibility and transportation services for economically disadvantaged populations, non-drivers, senior citizens, and the disabled or make goods, commodities and services more available to these groups?* Yes. On Hawaii Island, rural communities depend on less-than-container load cargo (LCL) operations (provided only by YB) for much of their supplies and some of their exports. These operations demand a dedicated space at each harbor to hold and consolidate cargo for collection or distribution. Old sheds for LCL operations are typically located near the pier's apron, making container handling more difficult. With additional yard space, LCL operations can be located away from the piers where heavy cargo transfer operations take place. This will create efficiencies for consumers picking up cargo as well as for cargo handlers.
4. *Was a planning process used that coordinated transportation and land-use planning decisions and encouraged community participation in the process?* Yes. The project follows from HDOT Harbors' master planning processes on each island. These involve maritime stakeholders, community members, and Federal, State, and local government agencies. All HDOT divisions participate in commercial harbors master plans. The Harbors and Highway divisions work closely on improvements to access roads. The specific actions were refined with HHUG, a maritime users group.

*Additional Information.* At Kawaihae, paving of an area currently filled with crushed coral significantly reduces fugitive dust that now affects the surrounding residential community and recreation areas. Paving of this area will also reduce the risk of damage to exposed cargo such as new automobiles.

#### **3.1.4 Sustainability**

The project meets both NOFA criteria:

1. *Does the project improve energy efficiency, reduce dependence on oil and/or reduce greenhouse gas emissions?* Yes. The project improves operational efficiency by reducing congestion. This reduces fuel consumption and greenhouse emissions in the following ways:
  - a. The project supports ocean surface transportation to move cargo, which is more efficient than air transportation in terms of fuel use and greenhouse emissions needed to move each unit of cargo.

- b. Increased commercial harbor capacity will permit the efficient transport of large renewable power-generating equipment such as windmill blades throughout the islands.
  - c. With more efficient movement of cargo in the yards, fuel use and greenhouse gases due to heavy equipment operations will be reduced.
  - d. The *Reconstruction of Pier 29 Container Yard* action will relocate a part of cargo operations currently at Piers 1 and 2 further west of the Honolulu urban center. This will lead to increases in efficiency and translate into a reduction in fuel consumption and greenhouse gas emissions by truckers because of the closer proximity to their destinations. Both are quantified in the BCA.
  - e. With increased yard capacity, barge operators can tow tandem (double) barges, between islands or between Hawaii and the US Mainland, as demand increases. This reduces fuel consumption and greenhouse gas emissions per unit of cargo.
2. *Does the project maintain, protect or enhance the environment, avoid adverse environmental impacts, and/or create environmental benefits?* Yes. The project avoids adverse environmental impacts and provides environmental benefits.
- a. HDOT Harbors will design all new structures to LEED Silver standards, increasing the energy efficiency of its facilities. New buildings at Kawaihae Harbor will incorporate photovoltaics for energy generation. HDOT Harbors supports recycling or reuse of salvaged materials for new projects.
  - b. As discussed above, the reduction in yard congestion and the increase in operational efficiency translate into reduced fuel consumption and greenhouse gas emissions both by heavy equipment and by trucks, providing environmental benefits.
  - c. All new yard lighting systems are designed, by shielding and downward orientation, to protect threatened bird species such as Newell's Shearwater from exhaustion or injury.
  - d. Mauna Kea on Hawaii Island is blessed with an extremely dark sky because of its high elevation and location in the central Pacific. This provides an ideal condition for observatories. The new lighting systems at Hilo and Kawaihae will use low-pressure sodium lamps to control light emissions into the sky.
  - e. The *New Interisland Barge Terminal at Pier 4* action will use part of the dredge material for fill in the yard, avoiding adverse environmental impacts through its reuse. In addition, the compensatory mitigation plan for coral loss in the dredge area involves the creation of an artificial reef, controlling the growth of invasive algae, and monitoring the impacted site.

*Additional Information.* In 2008, Hawaii Governor Linda Lingle signed a memorandum of understanding with the US Department of Energy for the *Hawaii Clean Energy Initiative*. Hawaii will reduce its dependence on fossil fuels by increasing energy efficiency and accelerating the use of renewable energy resources. These measures will help Hawaii meet its goal of 70 percent clean energy by 2030. By extending the life span of harbor

infrastructure and allowing more efficient cargo operations, the project makes the commercial harbors system more sustainable and helps to meet this goal.

In addition, HDOT Harbors has in place an environmental management system that provides a process to reduce environmental impacts by preventing pollution, mitigating risk, enhancing compliance and increasing its operating efficiency. This contributes to making the commercial harbors system more sustainable.

### **3.1.5 Safety**

Hawaii maritime firms and unions are proud of their safety records. The project addresses three conditions that pose a risk to safety:

- Congested working spaces that force cargo handlers to operate in small areas, in close proximity to each other and to trucks picking up or depositing loads.
- Cargo handling surfaces that are unimproved or have deteriorated such that heavy equipment operations risk damage to the surface, to equipment, and to personnel.
- Areas where cargo and passenger activities are in close proximity.

The project is expected to reduce risk of injuries for longshoremen, truckers, customers and cruise passengers. A conservative estimate of the safety impact was derived from records of the cost of injuries to longshore workers. This impact was deemed proportional to the decrease in congested yard space in the commercial harbors system, and amounting to an average annual saving of \$231,600 as of 2011.

Reduced risk of injuries to truckers and commercial customers in the commercial harbor areas is also expected, but could not be calculated. Moreover, the Hilo action lowers the risk of accidents to cruise passengers. At both Hilo and Kawaihae harbors, expansion of the yard area allows relocation of LCL operations away from the pier area, so customers will not have to drive into areas where heavy equipment is at work. This increases efficiency by lessening wait times and lowering the risk of accidents to stevedores and customers alike.

In Honolulu, removal of nearly 1,000 truck trips per voyage between the Pier 1 and Pier 29 roadway corridor reduces congestion and hence the risk of vehicle accidents.

## **3.2 Near-Term Impacts**

### **3.2.1 Job Creation and Economic Stimulus**

The project is a significant source of job opportunities for all of Hawaii's people:

1. *Does the project promote the creation of job opportunities for low-income workers?*  
Yes, it provides construction jobs, and stimulates indirect and induced jobs throughout the regional economy. Taken together, all three actions are expected to generate 1,182 person-years' employment in Hawaii and a total wage impact of \$72.3 million (counting only wages derived from construction-related expenditures).

- a. *Reconstruction of Pier 29 Container Yard.* This action is expected to generate 146 person-years of direct employment, and an additional 158 person-years of employment throughout Hawaii due to indirect and induced cash flows.<sup>10</sup> The cumulative wages of these workers are estimated as totaling \$18.6 million.<sup>11</sup>
  - b. *New Interisland Barge Terminal at Pier 4.* This development generates 362 person-years of direct employment, 390 person-years of indirect and induced employment, and a total wage impact of \$46.1 million on Hawaii Island.
  - c. *Pier 2A Terminal Improvements.* This action generates 60 person-years of direct employment, 65 person-years of indirect and induced employment, and a total wage impact of \$7.7 million.
2. *Will the project provide maximum practicable opportunities for small business and disadvantaged business enterprises, including veteran-owned small businesses?* Yes. Project procurement is subject to Hawaii State and Federal standards encouraging small and disadvantaged businesses.
  3. *Will the project use community based organizations in connecting disadvantaged workers with economic opportunities?* Yes. The major community-based organizations connecting workers with opportunities in Hawaii are unions, which have apprentice programs serving disadvantaged communities. Procurement according to Federal and Hawaii State rules supports union hiring. The great majority of these jobs are in an Economically Distressed Area.
  4. *Will the project support entities that have a sound track record on labor practices and compliance ensuring that workers are safe and treated fairly?* Yes. Under Hawaii State procurement standards, unsafe or discriminatory employers can be and are barred from procurement competitions.
  5. *Does the project implement best practices consistent with civil rights and equal opportunity laws to ensure that all individuals benefit from the Recovery Act?* Yes. Procurement and implementation of the project are subject to Hawaii State and Federal Civil Rights agency oversight and follow all applicable civil rights and equal opportunity laws.

### **3.2.2 Quick Start Activities: Timeline**

1. *Project Schedule: Demonstrate that the project can begin construction quickly and show how many direct, on-project jobs are expected during each calendar quarter.* See Figure 8 (page 18) for the timeline. In all three locations, HDOT Harbors has conducted planning and design, and prepared environmental submittals. The number of direct jobs per quarter will vary as work proceeds. Table 2 provides an estimate of direct jobs by quarter.

---

<sup>10</sup> Direct job numbers are calculated from total construction spending, at a ratio of 4.83 jobs per million dollars spent, from historical ratios of construction job count to spending. Indirect and induced jobs are estimated for heavy construction, based on the 2005 Input-Output Model developed and refined by DBEDT.

<sup>11</sup> Wages are taken from average statewide wages for heavy construction (direct) and all covered employment (indirect and induced) for 2007, adjusted to 2009 dollars in line with the Consumer Price Index for Honolulu.

**Table 2: Direct Construction Jobs by Quarter**

	Honolulu	Hilo	Kawaihae	Combined
<b>Total Direct Jobs (FTE)</b>	146	362	60	569
<b>Construction (years)</b>	1.4	2.2	1.1	
<b>Jobs/Year (person-years)</b>	103	167	56	
<b>Direct Jobs by quarter</b>				
2009 Q4	-	-	-	-
2010 Q1	-	90	-	90
2010 Q2	-	90	-	90
2010 Q3	-	150	20	170
2010 Q4	60	180	65	305
2011 Q1	125	220	85	430
2011 Q2	140	240	85	465
2011 Q3	135	240	20	395
2011 Q4	40	160	-	200

2. *Environmental Approvals:* See Sections 4.2 and 4.3. Environmental documents for all actions are appended to this application.
3. *Legislative Approvals:* Funds for the project have been appropriated in the State budget (2009 Session Laws of Hawaii, Act 162). No further approvals are needed.
4. *State and Local Planning:* Relevant planning documents include HDOT Harbors Master Plans<sup>12</sup> and environmental studies appended to this application.
5. *Technical Feasibility:* See design documents submitted with this application.
6. *Financial Feasibility – Describe the viability and completeness of the financing package including evidence of reliable financial commitments and contingency reserves and evidence the recipient can manage grants.* HDOT Harbors manages a special fund for operations, maintenance and capital improvements.

Under its Bond Covenants, HDOT Harbors' net revenues must be at least 1.25 times its debt service requirements; as of the most recent audit report, the coverage ratio was 2.29.<sup>13</sup>

<sup>12</sup> HDOT Harbors completes long-range master plans for each island, drawing on input from maritime stakeholders, other commercial harbors users, local, state and Federal agencies and the community. These are then reviewed in a Hawaii State EIS: *Oahu Commercial Harbors 2020 Master Plan* (final EIS completed 1999); *Hawaii Commercial Harbors 2020 Master Plan* (Final EIS completed 2001). The Hawaii Island master plan is currently being revised.

<sup>13</sup> The Auditor, State of Hawaii. *Financial Statements, State of Hawaii, Department of Transportation, Harbors Division, Years Ended June 30, 2008 and 2007, with Report of Independent Auditors*. Posted at <http://hawaii.gov/dot/harbors/file-links/financial-audit-reports/State%20of%20Hawaii%20DOT%20Harbors%20Division%20Financial%20Statements%206.30.08%20-final.pdf>



The tariffs supporting the Harbors Special Fund will increase in 2010, with regular rate increases thereafter. HDOT's recent agreement with MARAD for project management provides a vehicle for oversight of progress and expenditures on Federally-funded projects.

7. *Will the project will be able to obligate funds prior to September 30, 2011?* Yes. See timeline and project descriptions. All three actions are expected to be under way in 2010 and completed by the end of 2011.

### 3.3 Benefit-Cost Analysis

A Benefit-Cost Analysis (BCA) provides an account of the net benefits for each of the three actions. HDOT Harbors used the USACE Econpack program version 3.2.2 to generate life-cycle cost analyses for each harbor. Impacts on near-term job creation, long-term economic competitiveness, sustainability and safety are monetized. The findings and methodology used for the analysis are posted at [www.hawaii.gov/dot/harbors/tiger](http://www.hawaii.gov/dot/harbors/tiger). The results of the BCA show each action yields greater benefits than costs. The combined benefit to cost ratio is 2.2 for the project.

Total present value savings associated with the project are estimated at between \$104 and \$139 million, depending on the discount rate used. The analysis is posted at [www.hawaii.gov/dot/harbors/tiger](http://www.hawaii.gov/dot/harbors/tiger). Table 3 shows the BCA results and the Econpack runs using discount rates of three percent and seven percent:

**Table 3: Findings from Benefit-Cost Analysis**

	Honolulu	Hilo	Kawaihae	Combined
Grant Request (million 2009 \$s)	\$24.5	\$59.0	\$11.5	\$95.0
Benefit to Cost Indicators --				
<i>A. At 3% Discount Rate</i>				
Savings to Investment Ratio	3.4	1.5	3.1	2.2
Payback Period (years)	0.9	0.9	1.0	0.9
Total Present Value of Savings (million \$s)	\$69.9	\$69.0	\$29.8	\$139.0
<i>B. At 7% Discount Rate</i>				
Savings to Investment Ratio	2.2	1.2	2.0	1.6
Payback Period (years)	1.0	4.6	3.4	3.5
Total Present Value of Savings (million \$s)	\$47.7	\$56.8	\$19.5	\$104.6

Note: Present Value analysis calculated at discount rates indicated in NOFA. Benefit to Cost Ratio is calculated in Econpack through comparison of alternatives, and hence as a "Savings to Investment Ratio," the savings being the reduced costs of operations and maintenance over time with the new infrastructure investment. Present value of savings is a model output.

### 3.4 Secondary Criteria

#### 3.4.1 Innovation

The project uses developed technologies to promote efficient cargo movement. Innovative elements of the project include design of new buildings to minimize energy use and mitigation strategies for contaminated soils in Honolulu. In Honolulu, plans call for fiberglass piping and biaxial geogrid to address local soil problems. At Hilo, the new yard and roadway will permit the operator to convert to a gate-based inventory and control system.

The MARAD partnership assures state-of-the-art project management services for the project.

#### 3.4.2 Partnership

Table 4 identifies Federal and State financial contributions for the actions shown in the Figure 8 timeline.

HDOT Harbors coordinates improvements with its sister HDOT agencies. The major roadways serving the commercial harbors are the responsibility of the Highways Division. In Hilo, the County of Hawaii has agreed to transfer Kumau Street to the State to facilitate harbor infrastructure development.

**Table 4: Funding Sources for Project, by Phase**

	Honolulu	Hilo	Kawaihae	Combined
<b>Project approval, environmental documentation</b>				
HDOT: Harbors Special Fund	\$162,000	\$650,000	\$50,000	\$862,000
MARAD	\$0	\$0	\$200,000	\$200,000
<b>Plans, specifications, estimates</b>				
HDOT: Harbors Special Fund	\$1,063,000	\$1,610,000	\$750,000	\$3,423,000
<b>Construction</b>				
HDOT: Harbors Special Fund	\$5,810,000	\$16,000,000	\$1,000,000	\$22,810,000
TIGER funds requested	\$24,500,000	\$59,000,000	\$11,500,000	\$95,000,000
<b>Total</b>	\$31,535,000	\$77,260,000	\$13,500,000	\$122,295,000

HDOT Harbors planning is comprehensive, with island-level plans developed in collaboration with maritime stakeholders, recreational users, community groups, and county, State and Federal agencies.

HDOT Harbors worked closely with maritime stakeholders to develop the Harbors Modernization Plan (HMP), and has executed a working agreement with MARAD for joint projects. These collaborative efforts continue.

In Honolulu, a consortium of landowners and users, the Iwilei District Participating Parties LLC, is collaborating on a process to remediate existing soil contaminants. The Pier 29 site is in the Iwilei partnership area.

The project is widely supported, as shown by the attached letters from government, maritime, and union representatives. In addition, the Hawaii Congressional Delegation is sending a joint letter of support directly to Secretary LaHood.

### 3.5 Program-Specific Criteria

#### 3.5.1 Hawaii Commercial Harbors System: Throughput and Demand

The commercial harbors system works to insure service to all inhabited islands and to allow ocean shipping carriers to move cargo effectively. In 2008, Hawaii's commercial harbors handled 21,094,123 short tons, including 1,497,786 TEUs and 33,317,981 barrels of liquid products. Total cargo throughput has been increasing much faster than other economic indicators (as shown in the table below). Passenger volumes have varied with changes in the number of Hawaii-based cruise ships in recent years, with counts ranging between 250,000 to 500,000.

**Table 5: Average Annual Increase in Cargo Tonnage through Hawaii's Ports and in Gross State Product<sup>14</sup>**

	Waterborne Commerce		Gross State Product
	Oahu	Hawaii Island	
1996 to 2006	2.6%	7.9%	1.8%
1986 to 2006	2.4%	4.2%	1.9%
1981 to 2006	2.7%	4.1%	2.2%

Note: Gross State Product held constant in 2000 dollars.

For Oahu, demand for container and automobile yards in Honolulu Harbor was estimated to grow by 88.9 acres from 2000 to 2020.<sup>15</sup> The *Hawaii Commercial Harbors 2020 Master Plan* identified demand for 41 acres at Hilo and 42 acres at Kawaihae, for cargo terminals.<sup>16</sup> The terminals in this TIGER application have been identified as needed in the Oahu and Hawaii Island master planning efforts.

Demand for cargo berths and terminal space is still firm despite the current recession, and is expected to increase in the coming years. Long-term plans call for expansion of terminal areas and piers at Honolulu, Kalaeloa Barbers Point, Kahului, Hilo, and Kawaihae harbors to continue to support prosperity and job growth throughout Hawaii.

<sup>14</sup> USACE and DBEDT in *State of Hawaii Data Book 2007*.

<sup>15</sup> Parsons, Brinkerhoff, Quade and Douglas, Inc. and Ogdan Beeman and Associates, Inc. *Oahu Cargo Forecasts and Future Commercial Port Facility Requirements*. 1996. That study, prepared for the 2020 Oahu Commercial Harbors Master Plan, treated Pier 29 as a working yard in 2000. Since it is now unusable, the need for cargo yard area is greater than estimated above.

<sup>16</sup> R.M. Towill Corporation, *Final Environmental Impact Statement for the Hawaii Commercial Harbors 2020 Master Plan: Island of Hawaii, Hawaii*. 2001.

Over the long term, resident population and income growth are expected to resume at a rate of about 1 percent per annum statewide and at a higher rate in Hawaii County.<sup>17</sup> Taking into account the historic trend for cargo volumes to increase faster than the Gross State Product, recent projections indicate that the cargo volumes will increase by 2030 over 2000 levels by 139 percent on Oahu and by 328 percent on Hawaii Island.<sup>18</sup>

### **3.5.2 Efficiency**

With constrained yard space, harbor users have to handle a large volume of cargo in small areas. This reduces operational efficiencies, e.g., cargo operators and trucks must queue to use handling areas, containers are stacked high, and freight must be moved multiple times for storage and delivery.

The volume of cargo handled per acre of cargo yard in Honolulu is high compared to similar US ports.<sup>19</sup> The cost of harbor operations in Honolulu is also high among US ports.<sup>20</sup> Gains in efficiency achieved due to the project hence have significant consequences for economic competitiveness. See Section 3.1.2 for detailed discussion.

### **3.5.3 Reliability and Resiliency**

To support the State's economy, HDOT Harbors has attempted to develop more than one commercial harbor on each island, minimizing the potential impacts of disasters and emergencies through system redundancies. After the 2006 earthquake, HDOT Harbors and its users were able to respond quickly and effectively to keep cargo moving, despite severe damage to Kawaihae Harbor. All improvements will be designed to current earthquake standards.

### **3.5.4 Support for US National Security**

Some 40,000 members of the US Armed Services and 60,000 dependents live in Hawaii. The headquarters for Pacific Command and the Pacific Fleet are on Oahu. Pearl Harbor serves as a major homeport and shipyard for the US Navy. Supplies, consumables and materials pass through Honolulu Harbor and are distributed statewide and to Guam. On Guam, the Armed Services are modernizing and expanding facilities to replace bases on Okinawa. This transformation requires an undisrupted supply line. As such, efficient harbor operations in Hawaii are vital in support of US national security interests throughout the Pacific area. In addition, Kawaihae Harbor supports the largest training area in Hawaii. It is used by units from all the Armed Services.

### **3.5.5 External Factors Influencing Need for Project**

As stated at the beginning of this application, Hawaii depends on ocean transportation far more than any other state to support its economy. There are no interstate rail lines, roadways or bridges to connect the islands. Hawaii's commercial harbors system is its marine highway system and lifeline to the world. The project makes a significant

<sup>17</sup> DBEDT. *Population and Economic Projections to 2035 for the State of Hawaii: 2035 Series*. Honolulu, HI 2008.

<sup>18</sup> Calculated by extending the ratio of cargo to Gross State Product shown for 1986-2006 in Table 4.

<sup>19</sup> SMS Research. *Economic Impact Assessment of Hawaii's Harbors*. Honolulu, HI. 1997. JWD/AECOM *Terminal Throughput Densities at Selected Ports around the World*. 2005.

<sup>20</sup> B. Blonigen and W. Wilson, *New Measures of Port Efficiency using International Trade Data*. Institute of Water Resources, USACE, Report 06-NETS-R-01. Alexandria, VA 2006.

contribution to regional prosperity, especially for rural areas. As discussed above, yard and berth improvements have been selected for this application because they address existing inefficiencies that will worsen if not addressed soon.

## **4. REGULATORY REQUIREMENTS**

### **4.1 Federal Wage Rate Requirement**

All work on the three actions will comply with the requirements of Subchapter IV of Chapter 31 of Title 40, United States Code, as required by the *American Recovery and Reinvestment Act of 2009* (ARRA). This is certified in the attached submittal from Michael D. Formby, Deputy Director for HDOT Harbors.

### **4.2 NEPA Requirement**

The status of environmental reviews for each action are as follows:

1. *Reconstruction of Pier 29 Container Yard*. HDOT Harbors completed a Hawaii Revised Statutes (HRS) Chapter 343 environmental assessment (EA) finding of no significant impact (FONSI) in June 2009. National Environmental Policy Act (NEPA) review is expected to be completed within 6 months of Federal funding.
2. *New Interisland Barge Terminal at Pier 4*. HDOT Harbors completed a HRS Chapter 343 Environmental Impact Statement (EIS) in August 2001. If TIGER funding is awarded to this action, NEPA review is expected to be completed within 8 months. HDOT Harbors completed dredging and yard design documents in June 2008. The yard and dredging contracts were awarded in April 2009. For the dredging action, the US Army Corps of Engineers (USACE) has completed its internal environmental review. Permit issuance is pending design of a compensatory mitigation plan for corals. NEPA review of the pier will be conducted through USACE, once the dredging and use of the yard as a fill site have been approved.
3. *Pier 2A Terminal Improvements*. With MARAD's partnership, HDOT Harbors completed a joint HRS Chapter 343 and NEPA EA in February 2009.

### **4.3 Other Environmentally Related Federal, State and Local Actions**

Table 6 summarizes the status of Federal, State and local permits, reviews and consultations for the project (either alone or in combination with other actions).

**Table 6: Status of Permits and Reviews**

	Honolulu	Hilo			Kawaihae
		Dredge	Yard	Pier	
<i>County coordination:</i>					
Water	√	NA	√	x	x
Fire	√	NA	√	x	x
Wastewater	NA	NA	√	x	x
<i>State permits or consultation</i>					
Environmental (HRS 343)	√	√	√	√	√
NPDES	√	√	√	x	x
DCAB (ADA)	√	√	√	x	x
Coastal Zone Management	NA	√	NA	x	NA
Clean Water (Sect. 401)	NA	√	NA	x	NA
<i>Federal permits or consultation</i>					
NEPA review	x	Int	Int	x	√
USACE permits	NA	Sub	NA	x	NA

Notes: Reviews and consultation may be:

- |     |                               |     |   |
|-----|-------------------------------|-----|---|
| √   | Accomplished                  | X   | To be accomplished/in process                       |
| Sub | Submitted                     | Int | Internal review completed by agency, permit pending |
| NA  | Not applicable to the action. |     |   |

Federal and state consultations mandated under NEPA (e.g., Section 7 Endangered Species Act consultation) are included in the NEPA timelines in Figure 8.

The proposed improvements are included in State master plans. Pursuant to HRS 266-2, HDOT Harbors is exempt from county building and grading permits. It meets or exceeds local building codes in its new construction.

## 5. Evaluation of Project Performance

As directed by ARRA Section 1201(c), periodic reports will be submitted to the US Department of Transportation (USDOT) detailing:

1. The amount of grant funds appropriated, allocated, obligated and outlayed under the TIGER grant.
2. The number of projects put out to bid, awarded, under way, or completed and the amount of TIGER grant funds associated with these contracts.
3. The number of direct jobs created or sustained by TIGER grant funds, and the estimated indirect jobs created or sustained in associated industries.
4. The total increase in employment since February 17, 2009.

5. The aggregate expenditures by HDOT Harbors for projects eligible for funding under the TIGER grant program between February 17, 2009 and September 30, 2010, as compared to the level of such expenditures planned as of February 17, 2009 to occur during this period on such projects. The list of covered programs and planned State expenditures within the period has been included in a letter from Hawaii State Governor Lingle to USDOT Secretary LaHood dated May 18, 2009.

A certification signed by the Hawaii State Governor will be submitted to the USDOT Secretary, stating that the proposed actions have received the full review and vetting required by law, and taking responsibility for the investment as an appropriate use of taxpayer dollars.

Section 1512 reports will be submitted to the Office of Management and Budget as detailed in the Notice of Funding Availability and subsequent guidance from that agency. As indicated in the Notice, HDOT Harbors will be ready to provide additional information to the USDOT as needed to satisfy the purposes of ARRA.

The Maritime Administration will partner with other federal agencies, the State of Hawaii, and local governments to implement time sensitive and cost effective infrastructure improvements that stimulate sustained economic growth. MARAD involvement will help to assure efficient management and comprehensive reporting of the project and its impacts.

## ATTACHMENT H MILESTONE/DELIVERABLE SCHEDULE

THE FOLLOWING SCHEDULE BEGINS AT TIME OF RECEIPT OF SIGNED GRANT AGREEMENT.

<b>Task</b>	<b>Time to Complete</b>
Contract	July 1, 2010
Finalizing project documents	May, 2010
Revising project documents	June, 2010
Re-advertising or contractor negotiating	Mid-August, 2010
Award	Sept, 2010
Notice to Proceed (NTP)	Late Dec, 2010
Completion of construction	Feb, 2012