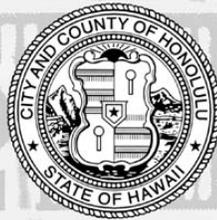


NEWS RELEASE



OFFICE OF THE MAYOR
CITY AND COUNTY OF HONOLULU

FOR IMMEDIATE RELEASE

March 21, 2011

RAIL PROJECT CONTRACTS UNDER BUDGET BY \$165 MILLION

(Mon., Mar. 21, 2011)—Mayor Peter Carlisle today announced the awarding of two more major contracts for the City’s Honolulu Rail Transit Project.

Contracts were awarded to Ansaldo Honolulu, a joint venture of Ansaldo STS and Ansaldo Breda, for the rail project’s “core systems,” which consists of the train vehicles and system control center; and to Kiewit Infrastructure West Co. for design and construction of the second phase of the rail elevated guideway from Pearl City to Aloha Stadium.

These latest contracts represent a net savings of \$165 million from the current project estimate. Both were selected through the procurement process based on “best value,” which is determined by evaluating all relevant criteria in addition to price.

“Not only are we creating much-needed jobs with these and other rail contracts, but we are also saving taxpayers’ money by making the most of the competitive bids coming in for the project,” said Mayor Carlisle. “This process reinforces the City’s commitment to ensure the rail project comes in on time and on budget.”

The City has saved more than \$300 million in construction costs on the four construction contracts awarded to date. Previous construction contracts include the contract to Kiewit for the first 6.5-mile phase of the elevated rail guideway from East Kapolei to Pearl City and the contract for the train maintenance and storage facility in Waipahu, which was awarded to the joint venture of Kiewit/Kobayashi.

Ansaldo was selected as the winning bidder for the \$574-million core systems contract and will be responsible for manufacturing an initial order of 80 train cars for the Honolulu rail system, as well as providing power and communications for the system. The core systems contract came in about 27 percent under the current project estimate. Ansaldo will also operate and maintain the rail system.

Under the \$372-million Kamehameha Highway design-build contract, Kiewit will construct the 3.9-mile, second phase of the elevated rail guideway from Pearl City to Aloha

Stadium. The Kamehameha Highway Guideway contract came in about 17 percent above the current project estimate.

Kiewit will be responsible for construction of the elevated guideway along the second phase of the rail alignment, installation of train tracks, and restoration of the road surface along the route.

“We are pleased that three of the four major contracts have resulted in a net savings of more than \$300 million. This contributes significantly to the confidence and stability of the financial plan,” Mayor Carlisle said.

The City is scheduled to award the design contract for the third section of the route from Aloha Stadium to Honolulu Airport later this year. The final two phases of the rail alignment from Honolulu Airport to Ala Moana Center will be built through a design-bid-build process. The train stations along the rail route will be designed and constructed through separate future contracts.

The \$5.5 billion transit project is a 20-mile elevated rail system connecting East Kapolei with Ala Moana Center. It includes 21 stations in communities including Waipahu, Pearl City, Aiea, Kalihi, Chinatown, Downtown Honolulu and Kakaako. There will also be stations at activity centers such as UH-West Oahu, Leeward Community College, Pearl Highlands, Pearlridge, Aloha Stadium, Honolulu International Airport and Honolulu Community College.

Train service for the first leg of the transit route from East Kapolei to Aloha Stadium is scheduled to begin in 2015, with full service along the entire 20-mile route from East Kapolei to Ala Moana Center in 2019.