

Rail is a Game Changer for the Construction Industry

BY KIRK CALDWELL, MANAGING DIRECTOR,
CITY AND COUNTY OF HONOLULU

Aloha!

Traditionally, the City and County of Honolulu's infrastructure investments have prioritized roads, sewers and public facilities. These projects are essential to our quality of life and generate jobs for the construction and design industries.

But at the end of the year, we will add a game changer into the infrastructure mix and into the local construction industry. We will break ground on one of the largest infrastructure projects in Hawaii's history: the 20-mile elevated rail transit line between Kapolei and Ala Moana Center.

It is difficult to overstate the importance of the project. Rail is essential to a modern, 21st century transportation system. Rail will be the state's largest economic stimulus project, generating dollars of economic activity and delivering more than \$1 billion in expected federal funding. Rail will be the single biggest job creator in our islands, employing an average of 10,000 people a year during construction, according to calculations in the project's draft Environmental Impact Statement.

In the next nine months alone, the project will award more than \$1 billion in contracts.

No other single project in Hawaii, in the public or private sector, can create as many jobs or generate as much economic activity during this recession. Our state can experience the same economic benefits of rail construction that mainland cities are seeing:

- Seattle's newly opened Sound

Transit Light Links rail system created nearly 5,000 direct construction jobs and almost 20,000 indirect jobs, according to Sound Transit CEO Joni Earl.

- Houston Metro expects to put 25,000 people back to work by expanding its rail line.
- Dallas Area Rapid Transit's new rail lines will create 6,000 construction jobs in the next five years according to the transit agency.
- NJ Transit anticipates employing 6,000 people for its grade separated line connecting New Jersey with New York.

Honolulu's building and design industry is already feeling the benefits from rail. The project has engaged more than 50 local subcontractors. For example, 10 local planning companies and a dozen local architecture firms are working on the project. In turn, each of our subcontractors has hired its own subs and vendors.

Once construction begins on Honolulu's elevated system, the job creation benefits are expected to skyrocket. Economic models show that about 42 percent of the employment will be directly related to construction: engineers, architects and skilled and unskilled labor.

Eighteen percent will be indirect construction jobs.

Forty percent will be induced jobs outside the construction industry as workers spend their wages and companies buy supplies; that will bring new jobs into the retail, food and beverage and service industries.

Our community has voted for rail,

and we are moving forward quickly and smartly with the project. Rail is a bold step forward to deal with our traffic woes. And, like other cities nationwide, a rail system will foster smart growth, transit-oriented development, which enables us to create livable communities shaped by the people who live there.

The construction industry has always been supportive of the rail project and we are grateful for that. We ask for that continued support as we move closer to construction of this groundbreaking project that will help shape not only our future, but help revitalize our economy. **BI**

Here are several of this year's milestones:

- publication of the final Environmental Impact Statement (EIS) by the City and County of Honolulu and the Federal Transit Administration (FTA)
- acceptance of the final EIS by the FTA and the state of Hawaii
- issuing of a Record of Decision by the Federal Transit Administration, which concludes the environmental review process
- awarding the design-build contract for the first section of the elevated guideway (East Kapolei to Pearl Highlands)
- groundbreaking and the beginning of construction.



Building Industry magazine's "Speak Out" page is written by an industry volunteer and is an expression of his/her personal opinion. It does not reflect the opinion or editorial position of Trade Publishing Co., Building Industry magazine or any of its staff.