



Lori M.K. Kahikina, P.E.
Executive Director and CEO

Rick Keene
Deputy Executive Director and COO

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February 21, 2023

'23FEB22 AM 9:57 CITY CLERK

The Honorable Radiant Cordero, Chair
Committee on Budget
Honolulu City Council
City and County of Honolulu
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Cordero:

Subject: **Budget Communication No. 1**
Request for Additional Information Relating to
HART's FY2024 Operating and Capital Budget

In response to your letter dated January 24, 2023, the Honolulu Authority for Rapid Transportation (HART) is submitting for your review the revised FY24 Operating and Capital Budget Bills, in accordance with Chapter 2, Article 18, of the Revised Ordinances of Honolulu.

- FY24 HART Operating Budget Bill
- FY24 HART Capital Budget Bill

If there should be any further questions, please do not hesitate to contact me.

Very truly yours,

Lori M.K. Kahikina, P.E.
Executive Director and CEO

Attachments

cc: HART Board of Directors
Mr. Michael Formby, Managing Director
Office of the City Clerk

**DEPT. COM. 114
BUD**



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL _____

A BILL FOR AN ORDINANCE

RELATING TO THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION CAPITAL BUDGET FOR THE FISCAL YEAR
JULY 1, 2023 TO JUNE 30, 2024.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. The revenues from the following sources estimated for the fiscal year July 1, 2023 to June 30, 2024 are hereby provided and appropriated for the purposes set forth in Section 2:

FUND CODE	SOURCE OF FUNDS	AMOUNT	TOTAL
FEDERAL FUNDS:			
FG	Federal Grants Fund	\$125,000,000	\$125,000,000
GENERAL OBLIGATION BONDS:			
TF	Transit Improvement Bond Fund	\$0	\$0
TRANSIT FUND:			
TR	Transit Fund	\$444,159,387	\$444,159,387
TOTAL ALL FUNDS			\$569,159,387



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

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A BILL FOR AN ORDINANCE

SECTION 2. The monies described in Section 1 for the fiscal year July 1, 2023 to June 30, 2024 are appropriated as indicated to the following projects and public improvements in the UTILITIES OR OTHER ENTERPRISES function. Nothing in this section shall be construed as restricting the allocation of monies among the work phase appropriations (e.g., planning, design, and construction).

PROJECT NUMBER	FUNCTIONS, PROGRAMS & PROJECTS	WORK PHASE	SOURCE OF FUNDS	TOTAL ALL FUNDS
<u>UTILITIES OR OTHER ENTERPRISES</u>				
MASS TRANSIT				
<u>HONOLULU AUTHORITY FOR RAPID TRANSPORTATION</u>				
2007005	HONOLULU HIGH CAPACITY TRANSIT PROJECT	1,000 L	125,000,000 FG	569,159,387
		1,000 P	0 TF	
	Plan, design, construct, inspect, relocate, acquire land,	1,000 D	444,159,387 TR	
	provide equipment and artwork for the Locally Preferred	569,151,387 C		
	Alternative.	1,000 I		
		1,000 E		
		1,000 R		
		1,000 X		
		1,000 A		
TOTAL UTILITIES OR OTHER ENTERPRISES		\$569,159,387	\$569,159,387	\$569,159,387

UTILITIES OR OTHER ENTERPRISES

SOURCE OF FUNDS

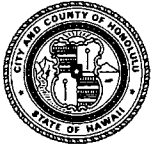
FG Federal Grants Fund	\$125,000,000
TF Transit Improvement Bond Fund	0
TR Transit Fund	444,159,387

TOTAL SOURCE OF FUNDS	\$569,159,387
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WORK PHASE

L Land	\$1,000
P Planning	1,000
D Design	1,000
C Construction	569,151,387
I Inspection	1,000
E Equipment	1,000
R Relocation	1,000
X Other	1,000
A Art	1,000

TOTAL WORK PHASES	\$569,159,387
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CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL _____

A BILL FOR AN ORDINANCE

SECTION 3. General Provisos.

- (a) As used in this ordinance:

Authority. The Honolulu Authority for Rapid Transportation.

Council. The Council of the City and County of Honolulu.

Government. The federal government, the State government, the government of any other state, any political subdivision of any state, or any quasi-governmental entity.

- (b) *Limited purpose monies.* The Authority may receive monies whose use is specified or otherwise limited by the monies' source from: (1) any governmental or quasi-governmental agency; (2) any private source including monetary gifts whose use is specified by the donor; or (3) any combination thereof. When such monies are received, the Authority shall maintain special funds or accounts showing the monies so received, and specifying the purposes for which they have been received and held.

All such monies specified in Section 2 of this ordinance are appropriated in the amounts and for the purposes set forth, and all expenditures shall be made as provided by law. All other such monies not specified in Section 2 of this ordinance and which are limited purpose monies are hereby appropriated any may be expended by the Authority for their permitted limited purposes.

The Authority shall report to the Council no later than 30 days after June 30 detailing, for the capital budget fiscal year just ended, the amount of any excess monies received, and the function, program, and project to which the monies have been allotted for expenditure.

- (c) At the close of each quarter, the Authority shall submit to the Council a Statement of Cash Balances by Fund showing for each quarter for each individual fund the cash balance at the start of the accounting period and the cash balance at the end of the period.
- (d) Any appropriation authorized in this ordinance or any amendment thereto shall be valid for the fiscal year July 1, 2023 to June 30, 2024, and 12 months thereafter. Any part of such appropriation which is not expended or encumbered shall lapse on June 30, 2025.



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

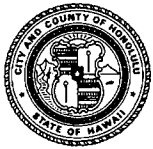
ORDINANCE _____

BILL _____

A BILL FOR AN ORDINANCE

- (e) If any portion of this ordinance or the application thereof to any person or circumstance is held to be invalid or for any reason, the Council hereby declares that the remainder of this ordinance and all other provisions thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be independent of the invalid portion and such remaining portion shall be expended to fulfill the objective of such appropriation to the extent possible.
- (f) Except for the expenditure of limited purpose monies pursuant to subsection (b), no monies shall be expended by the Authority for any purpose from the Transit Fund or Transit Improvement Bond Fund, unless such monies are first appropriated by the Council.
- (g) The project number is included for accounting purposes only. If there is a conflict between the number and the project title in this ordinance, the project title shall prevail.
- (h) In Section 2 of this ordinance, if there is a conflict between the work phases set forth in the narrative description of a project and the work phases set forth in the work phase column for the project, the work phases set forth in the work phase column shall prevail.

SECTION 4. The detailed Statement of Revenues and Surplus contained in the Executive Operating Program for the Fiscal Year July 1, 2023 to June 30, 2024, as transmitted to the Council in the Executive Program and Budget for the Fiscal Year 2024, Volume 1 (Operating Program and Budget), and as amended in any Executive Operating Program amendments, is hereby incorporated by reference and adopted as an integral part of this ordinance. The detailed Statement of Revenues and Surplus contained therein may be further amended regarding any applicable fund by any amendment to the Executive Operating Budget ordinance, Executive Capital Budget ordinance, Legislative Budget ordinance, Honolulu Authority for Rapid Transportation Operating Budget ordinance, or Honolulu Authority for Rapid Transportation Capital Budget ordinance. In case of any conflict between the substantive provisions of the Executive Operating Program as transmitted and this ordinance or the above budget amendments, the provisions of this ordinance and any of the above budget amendments shall prevail.



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL _____

A BILL FOR AN ORDINANCE

SECTION 5. This ordinance takes effect on July 1, 2023.

INTRODUCED BY:

DATE OF INTRODUCTION:

Honolulu, Hawai'i

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 20 _____.

RICK BLANGIARDI, Mayor
City and County of Honolulu



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL _____

A BILL FOR AN ORDINANCE

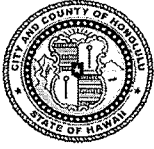
RELATING TO THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION OPERATING BUDGET FOR THE FISCAL YEAR JULY 1, 2023 TO JUNE 30, 2024.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. The revenues from the following sources estimated for the fiscal year July 1, 2023 to June 30, 2024 are hereby provided and appropriated for the purposes set forth in Sections 2 through 3:

OPERATING FUNDS

<u>FUND CODE</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>	<u>LESS INTERFUND TRANSFER</u>	<u>NET AMOUNT</u>
GN	General Fund	\$416,411,767	\$416,411,767	\$0
TR	Transit Fund	108,967,430	105,148,477	3,818,953
TOTAL		\$525,379,197	\$521,560,244	\$3,818,953
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CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL _____

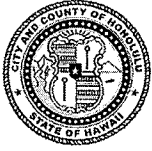
A BILL FOR AN ORDINANCE

SECTION 2. The monies described in Section 1 for the fiscal year July 1, 2023 to June 30, 2024 are appropriated as indicated to the following activities in the UTILITIES OR OTHER ENTERPRISES function.

FUNCTIONS, PROGRAMS & ACTIVITIES	NUMBER OF POSITIONS (F.T.E.)	SALARIES	CURRENT EXPENSES	EQUIPMENT	TOTAL ALL FUNDS	SOURCE OF FUNDS
UTILITIES OR OTHER ENTERPRISES						
MASS TRANSIT:						
Honolulu Authority for Rapid Transportation						
Acquisition & Relocation	0.00	\$0	\$0	\$0	\$0	\$0 TR
Administrative Services	2.00	239,932	1,247,933	9,000	1,496,865	1,496,865 TR
Budget and Finance	6.80	667,550	72,362	0	739,912	739,912 TR
Consultant Services	0.00	0	0	0	0	0 TR
Core Systems, Integration, & P3 Project Delivery	0.00	0	0	0	0	0 TR
Design and Construction	0.00	0	0	0	0	0 TR
Executive Management	2.20	215,380	1,500	0	216,880	216,880 TR
HART Board Support	2.00	146,323	110,343	0	256,666	256,666 TR
Public Involvement	1.00	124,308	1,720	0	126,028	126,028 TR
Procurement, Contracts and Construction Claims	0.00	0	49,400	0	49,400	49,400 TR
Project Controls	0.00	0	0	0	0	0 TR
Quality Assurance	0.00	0	0	0	0	0 TR
System Safety & Security	0.00	0	0	0	0	0 TR
TOTAL UTILITIES OR OTHER ENTERPRISES	13.80	\$1,393,493	\$1,483,258	\$9,000	\$2,885,751	\$2,885,751

UTILITIES OR OTHER ENTERPRISES SOURCE OF FUNDS

GN	General Fund	\$0
TR	Transit Fund	2,885,751
TOTAL UTILITIES OR OTHER ENTERPRISES		\$2,885,751



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL _____

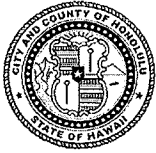
A BILL FOR AN ORDINANCE

SECTION 3. The monies described in Section 1 for the fiscal year July 1, 2023 to June 30, 2024 are appropriated as indicated to the following activities in the MISCELLANEOUS function.

FUNCTIONS, PROGRAMS & ACTIVITIES	NUMBER OF POSITIONS (F.T.E.)	SALARIES	CURRENT EXPENSES	EQUIPMENT	TOTAL ALL FUNDS	SOURCE OF FUNDS
MISCELLANEOUS						
RETIREMENT AND PENSION CONTRIBUTIONS:						
Retirement System Contributions -- Employer's Share for HART	0.00	\$0	\$321,262	\$0	\$321,262	\$321,262 TR
FICA Tax -- Employer's Share for HART	0.00	0	102,402	0	102,402	102,402 TR
Hawaii Employer-Union Health Benefits Trust Fund for HART	0.00	0	253,663	0	253,663	253,663 TR
OTHER MISCELLANEOUS						
Workers' Compensation for HART	0.00	0	35,473	0	35,473	35,473 TR
Unemployment Compensation for HART	0.00	0	402	0	402	402 TR
Provision for Other Post-Employment Benefits for HART	0.00	0	220,000	0	220,000	220,000 TR
TRANSFERS TO OTHER FUNDS:						
Transfer to General Fund for Central Administrative Services Expenses	0.00	0	1,135,507	0	1,135,507	1,135,507 TR
Transfer to General Fund for Services Provided to HART	0.00	0	411,720	0	411,720	411,720 TR
Transfer to General Fund for Debt Service	0.00	0	103,601,250	0	103,601,250	103,601,250 TR
Transfer to Transit Fund	0.00	0	416,411,767	0	416,411,767	416,411,767 GN
TOTAL MISCELLANEOUS	0.00	\$0	\$522,493,446	\$0	\$522,493,446	\$522,493,446

MISCELLANEOUS SOURCE OF FUNDS

GN General Fund	\$416,411,767
TR Transit Fund	106,081,679
TOTAL MISCELLANEOUS	\$522,493,446



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

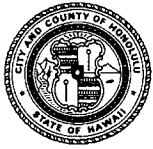
ORDINANCE _____

BILL _____

A BILL FOR AN ORDINANCE

SECTION 4. The sums appropriated above are totalled as follows:

<u>FUND CODE</u>		<u>GROSS APPROPRIATIONS BY SOURCE OF FUNDS</u>	<u>AGENCY</u>	<u>MISCELLANEOUS</u>	<u>TOTAL</u>
GN	General Fund		\$0	\$416,411,767	\$416,411,767
TR	Transit Fund		2,885,751	106,081,679	108,967,430
TOTAL			\$2,885,751	\$522,493,446	\$525,379,197
<u>FUNCTION</u>		<u>TOTAL</u>	<u>INTERFUND TRANSFER</u>	<u>NET TOTAL</u>	
Utilities or Other Enterprises		\$2,885,751	\$0	\$2,885,751	
Miscellaneous		522,493,446	521,560,244	933,202	
TOTAL		\$525,379,197	\$521,560,244	\$3,818,953	



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL _____

A BILL FOR AN ORDINANCE

SECTION 5. General Provisos.

- (a) As used in this ordinance:

Authority. The Honolulu Authority for Rapid Transportation.

Council. The Council of the City and County of Honolulu.

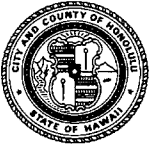
Government. The federal government, the State government, the government of any other state, any political subdivision of any state, or any quasi-governmental entity.

ROH. The Revised Ordinances of Honolulu 2021.

- (b) *Limited purpose monies.* The Authority may receive monies whose use is specified or otherwise limited by the monies' source from: (1) any governmental or quasi-governmental agency; (2) any private source including monetary gifts whose use is specified by the donor; or (3) any combination thereof. When such monies are received, the Authority shall maintain special funds or accounts showing the monies so received and specifying the purposes for which they have been received and held.

All such monies specified in Sections 2 and 3 of this ordinance are appropriated in the amounts and for the purposes set forth, and all expenditures shall be made as provided by law. All other such monies not specified in Sections 2 and 3 of this ordinance and which are limited purpose monies are hereby appropriated any may be expended by the Authority for their permitted limited purposes.

- (c) At the close of each quarter, the Authority shall submit to the Council a Statement of Cash Balances by Fund showing for each quarter for each individual fund the cash balance at the start of the accounting period, the cash balance at the end of the period.
- (d) No transfer of funds shall be made from any activity unless such transfer complies with the requirements set forth in ROH Section 2-17.2(c).
- (e) If any portion of this ordinance or the application thereof to any person or circumstance is held to be invalid or for any reason, the Council hereby declares that the remainder of this ordinance and all other provisions thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be independent of the invalid portion and



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL _____

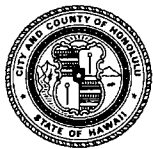
A BILL FOR AN ORDINANCE

such remaining portion shall be expended to fulfill the objective of such appropriation to the extent possible.

- (f) Except for the expenditure of limited purpose monies pursuant to subsection (b), no monies shall be expended by the Authority for any purpose from the Transit Fund or Transit Improvement Bond Fund, unless such monies are first appropriated by the Council.

SECTION 6. The detailed Statement of Revenues and Surplus contained in the Executive Operating Program for the Fiscal Year July 1, 2023 to June 30, 2024, as transmitted to the Council in the Executive Program and Budget for the Fiscal Year 2024, Volume 1 (Operating Program and Budget), and as amended in any Executive Operating Program amendments, is hereby incorporated by reference and adopted as an integral part of this ordinance. The detailed Statement of Revenues and Surplus contained therein may be further amended regarding any applicable fund by any amendment to the Executive Operating Budget ordinance, Executive Capital Budget ordinance, Legislative Budget ordinance, Honolulu Authority for Rapid Transportation Operating Budget ordinance, or Honolulu Authority for Rapid Transportation Capital Budget ordinance. In case of any conflict between the substantive provisions of the Executive Operating Program as transmitted and this ordinance or the above budget amendments, the provisions of this ordinance and any of the above budget amendments shall prevail.

SECTION 7. Should monies received from the State of Hawaii for collection of the Honolulu general excise and use tax surcharge exceed the amounts specified hereinabove in Sections 1 and 3, the excess is hereby appropriated to the General Fund and shall be transferred from the General Fund to the Transit Fund. Within 14 days of the Transfer, the Director of Budget and Fiscal Services shall report to the Council on the excess amounts appropriated and transferred to the Transit Fund.



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL _____

A BILL FOR AN ORDINANCE

SECTION 8. This ordinance takes effect on July 1, 2023.

INTRODUCED BY:

DATE OF INTRODUCTION:

Honolulu, Hawai'i

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 20 _____.

RICK BLANGIARDI, Mayor
City and County of Honolulu