

REPORT OF THE COMMITTEE ON BUDGET

Voting Members:

Radiant Cordero, Chair; Matt Weyer, Vice-Chair;
Esther Kia'aina, Calvin K.Y. Say, Augie Tulba

Committee Meeting Held
March 30, 2023

Honorable Tommy Waters
Chair, City Council
City and County of Honolulu

Mr. Chair:

Your Committee on Budget, which considered Bill 16 (2023) entitled:

"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,"

transmitted by Departmental Communication 114, dated February 21, 2023, from the
Honolulu Authority for Rapid Transportation ("HART"), which passed first reading at the
March 15, 2023 Council meeting, reports as follows:

The purpose of the bill is to appropriate \$525,379,197 less an interfund transfer of
\$521,560,244 for a net total amount of \$3,818,953 for the HART Operating Budget for
fiscal year July 1, 2023 to June 30, 2024.

The HART Executive Director provided comments on the bill and responded to
Councilmembers' questions and concerns.

Your Committee amended the bill based on the Committee Chair's
recommendations after discussion and deliberation on proposed amendments.

The proposed CD1 makes the following amendments:

- A. Appropriates \$3,732,953 for the Honolulu Authority for Rapid Transportation
Operating Budget and Program for Fiscal Year 2024.

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON

APR 19 2023

COMMITTEE REPORT NO.

71

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- B. Makes various substantive changes, which are noted in the Amendment List contained within the bill.
- C. Makes miscellaneous technical and nonsubstantive amendments.

Your Committee on Budget is in accord with the intent and purpose of Bill 16 (2023), as amended herein, and recommends that it pass second reading, be scheduled for a public hearing, and be referred back to Committee in the form attached hereto as Bill 16 (2023), CD1. (Ayes: Cordero, Kia'aina, Say, Tulba, Weyer – 5; Noes: None.)

Respectfully submitted,



Committee Chair

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON APR 19 2023

COMMITTEE REPORT NO. 71



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL 16 (2023), CD1

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

FUND CODE	SOURCE OF FUNDS	AMOUNT	LESS INTERFUND TRANSFER	NET AMOUNT
GN	General Fund	\$416,411,767	\$416,411,767	\$0
TR	Transit Fund	108,881,430	105,148,477	3,732,953
	TOTAL	\$525,293,197	\$521,560,244	\$3,732,953



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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	155,932	1,247,933	7,000	1,410,865	1,410,865 TR
Budget and Finance	6.60	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	\$1,309,493	\$1,483,258	\$7,000	\$2,799,751	\$2,799,751

**UTILITIES OR OTHER ENTERPRISES
SOURCE OF FUNDS**

GN General Fund	\$0
TR Transit Fund	2,799,751
TOTAL UTILITIES OR OTHER ENTERPRISES	\$2,799,751



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BILL 16 (2023), CD1

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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
<u>MISCELLANEOUS</u>						
<u>RETIREMENT AND PENSION CONTRIBUTIONS:</u>						
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
<u>OTHER MISCELLANEOUS</u>						
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
<u>TRANSFERS TO OTHER FUNDS:</u>						
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



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BILL 16 (2023), CD1

A BILL FOR AN ORDINANCE

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

FUND		GROSS APPROPRIATIONS		
CODE	BY SOURCE OF FUNDS	AGENCY	MISCELLANEOUS	TOTAL
GN	General Fund	\$0	\$416,411,767	\$416,411,767
TR	Transit Fund	2,799,751	106,081,679	108,881,430
TOTAL		\$2,799,751	\$522,493,446	\$525,293,197
FUNCTION		TOTAL	INTERFUND TRANSFER	NET TOTAL
Utilities or Other Enterprises		\$2,799,751	\$0	\$2,799,751
Miscellaneous		522,493,446	521,560,244	933,202
TOTAL		\$525,293,197	\$521,560,244	\$3,732,953



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



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.

SECTION 8. The amendments to the Honolulu Authority for Rapid Transportation Operating Budget ordinance, as attached hereto, are hereby incorporated by reference and adopted as an integral part of this ordinance.



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ORDINANCE _____

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SECTION 9. This ordinance takes effect on July 1, 2023.

INTRODUCED BY:

Tommy Waters (br)

DATE OF INTRODUCTION:

March 2, 2023

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



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AMENDMENTS TO THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION OPERATING BUDGET
CD1 Amendments = Plain Text

<u>FUNCTION/PROGRAM/ AGENCY/ACTIVITY</u>	<u>AMENDMENT</u>	<u>POS.</u>	<u>AMOUNT</u>	<u>CH</u>	<u>FD</u>
UTILITIES OR OTHER ENTERPRISES					
MASS TRANSIT					
<u>HONOLULU AUTHORITY FOR RAPID TRANSPORTATION</u>					
Administrative Services	Reduce funding for salaries.		(\$84,000)	S	TR
Administrative Services	Reduce funding for equipment.		(\$2,000)	E	TR

New Section

SECTION 8.

Add a new Section 8 to read as follows:

"SECTION 8. The amendments to the Honolulu Authority for Rapid Transportation Operating Budget ordinance, as attached hereto, are hereby incorporated by reference and adopted as an integral part of this ordinance."

Renumber Section 8 as Section 9.

- END OF BILL -