



HONOLULU CITY COUNCIL

KE KANIHELA O KE KALANA O HONOLULU

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February 5, 2025

Ms. Lori Kahikina
Executive Director and CEO
Honolulu Authority for Rapid Transportation (HART)
1099 Alakea Street, Suite 1700
Honolulu, Hawaii 96813

SUBJECT: BUDGET COMMUNICATION NO. 3
Request for Additional Information Relating to HART's FY 2026 Operating and Capital Budget

Dear Ms. Kahikina,

Thank you for the information you sent dated December 2, 2024 (Departmental Communications 816 (2024) ("D-816 (2024)")) and dated January 22, 2025 (Departmental Communication 41 (2025)), transmitting to the City Council ("Council") the Fiscal Year ("FY") 2026 operating and capital budgets for the Honolulu Authority for Rapid Transportation ("HART") and supporting budget documents. We appreciate your submittal of HART's operating and capital proposed FY 26 budgets and look forward to working with you on any necessary amendments to ensure that the bills conform to HART's budget documents.

In accordance with the spirit of Chapter 2, Article 18, Revised Ordinances of Honolulu 2021, please submit the following budget documents to provide the Council with greater clarification regarding HART's FY 2026 budgets submission:

1. Salary Cost Items and Position Summary by Classification
 - a) Line-item budget details for each budgeted activity according to salary, current expense, and equipment expenditure categories. Please ensure that the line-item budget details for salary cost items include, but are not limited to, the class description of the budgeted positions.
 - b) Position summary by classification, including all permanent, temporary, and contract positions.
2. Budget Line-Items Exceeding \$50,000
 - a) Additional information for operating current expenses and equipment budget line-items, including a clear description and purpose of the budgeted items and/or services. Please ensure that the items are not lumped together under a single object code.

- b) Additional information for the capital budget line-items for each contract. Please ensure that each contract is broken down by applicable work phase along with each contract total.

3. Position Vacancy Report by Classification

Additionally, the proposed FY 2026 HART capital budget bill, included in D-816 (2024), appropriates \$125,000,000 in federal grants fund ("FG") moneys. Please provide a written discussion regarding the likelihood of HART receiving the \$125,000,000 (FG) in FY 2026, the status of HART's federal funding in future years under the current federal administration's potential priorities, the impact to the project if HART does not receive any federal funding in future years, and the steps being taken to preclude possible future decreases or loss of federal funds.

Finally, please confirm that for the FY 2026 HART operating budget, HART continues to implement its "Capitalization Policy" executed on June 28, 2018. For your reference as to form and content of the requested information, please see Departmental Communication 101 (2024).

Please submit to the Council the requested information no later than Thursday, February 13, 2025. I look forward to working with HART during the FY 2026 budget cycle.

Sincerely,



Tyler Dos Santos-Tam, Chair
Committee on Budget