



2014 OCT 24 AM 8:22

RECEIVED

IN REPLY REFER TO:
CMS-AP00-00801

HONOLULU AUTHORITY for RAPID TRANSPORTATION

2014 OCT 23 P 3:40

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

BOARD OF DIRECTORS

Ivan M. Lui-Kwan, Esq.
CHAIR

Donald G. Horner
VICE CHAIR

George I. Atta
Robert Bunda
Michael D. Formby
Ford N. Fuchigami
William "Buzz" Hong
Kestlie W.K. Hui
Damien T.K. Kim
Carrie K.S. Okinaga, Esq.

October 23, 2014

CITY COUNCIL
HONOLULU, HAWAII

The Honorable Kirk Caldwell, Mayor
City and County of Honolulu
530 South King Street, Room 300
Honolulu, Hawaii 96813

and

The Honorable Ernest Y. Martin, Chair
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Mayor Caldwell, Chair Martin, and Councilmembers:

On behalf of the Finance Committee of the Honolulu Authority for Rapid Transportation (HART), I transmit for your consideration and input HART's requested Fiscal Year (FY) 2016 Operating and Capital Budgets in the amounts delineated below, and Exhibits A and B with explanations for these amounts (as attached).

Total FY 2016 Operating Budget.....\$29,212,800
Total FY 2016 Capital Budget.....\$1,477,058,200

HART's requested FY 2016 budgets do not include any request of City general fund monies. However, the requested Operating Budget includes \$2,031,500 as direct reimbursement to general fund and central administrative services expense, and the Capital Budget includes monies for HART's Capital Improvement Bond Fund subsidiary account.

Please note that HART anticipates requesting General Obligation Bond authorization from the City Council in the current fiscal year as well as FY 2016, which will be transmitted separately. The HART organization looks forward to working with the City Council in this regard.

Sincerely,

Daniel A. Grabauskas
Executive Director and CEO

Attachments

cc: HART Board of Directors

DEPT. COM. 758

Exhibit A

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION Requested Operating Expense Budget For Fiscal Year 2016

<u>Budget Description</u>	<u>2015 Budget</u>	<u>2016 Budget</u>
<u>Personnel</u>		
Regular Pay	9,414,755	9,744,000
Overtime, Night Shift, Temp Assign Pay	95,000	95,000
Fringe Benefits	4,332,670	4,484,000
OPEB Mandatory Payment	0	195,000
Service or Merit Awards	1,000	1,000
Personnel Expense Subtotal	13,843,425	14,519,000
<u>Current Expenses</u>		
Office & Computer Supplies	147,000	147,000
Meals & Foods	6,500	6,500
Safety & Misc Supplies	9,300	9,300
Parts / Equip	210,000	210,000
Legal Services	1,202,354	1,000,000
Professional Svcs. Direct Reimb	2,044,307	2,031,500
Professional Svcs. Other	250,000	250,000
Postage & Shipping	9,000	9,000
Telephone	40,000	40,000
Communication Svcs	170,000	128,000
Relocation - New hires	30,000	30,000
Travel Expense - Out-of-State	95,000	95,000
Advertising, Publication of Notices	45,000	45,000
Insurance on Equip. & Gen. Liab.	18,000	18,000
Liability Insurance (Dir. & Off)	55,000	55,000
Printing & Binding	1,500	1,500
Other Repairs to Bldgs & structures	300,000	5,000
R&M - office furniture & equip	12,000	12,000
Rentals	2,378,643	2,445,000
Fees (memberships, Registration & parking)	50,000	50,000
Computer Software maintenance agreements	58,000	100,000
Other Fixed Charges	500,000	0
Current Expenses Subtotal	7,631,604	6,687,800
<u>Equipment & Software</u>		
	6,000	6,000
Total Before Debt Service	21,481,029	21,212,800
Interest Expense	0	8,000,000
Total Budget	21,481,029	29,212,800
Total Full-time Equivalent Positions	139	139

Exhibit B

Honolulu Authority for Rapid Transportation Requested Capital Improvement Budget for Fiscal Year Ending June 30, 2016

FY 2016

	Construction	Design	Planning	Inspection	Other	Total
Construction	\$143,976,100					\$143,976,100
DBB-580 Dillingham SG, Kaka`ako SG Construction	\$122,502,100					\$122,502,100
MI-930 Elevators and Escalators	\$16,474,000					\$16,474,000
MM-951 Owner-Controlled Insurance Program (OCIP)	\$5,000,000					\$5,000,000
Consultants	\$26,132,600	\$1,400,000	\$421,000			\$27,953,600
MM-913 Gen Engineering Consultant FD-Construction	\$8,233,500					\$8,233,500
MM-920 HDOT Coordination Consultant - West Oahu/Farrington	\$5,613,000					\$5,613,000
MM-921 HDOT Coordination Consultant – Kamehameha Section	\$2,600,000					\$2,600,000
MM-922 HDOT Coordination Consultant - Airport Section		\$1,400,000				\$1,400,000
MM-930 HDOT State Safety Oversight Agency (SOA) Manager			\$421,000			\$421,000
MM-950 Owner-Controlled Insurance Program (OCIP) Consultant	\$208,100					\$208,100
MM-962 Core Systems Support	\$8,078,000					\$8,078,000
MM-964 Safety and Security	\$1,400,000					\$1,400,000
Programmatic Agreements	\$200,000		\$100,000			\$300,000
MM-940 Kako'o Consultant			\$100,000			\$100,000
PA-102 Programmatic Agreement– Historic Preservation Com.	\$200,000					\$200,000
Quality Audits	\$20,000					\$20,000
Total	\$170,328,700	\$1,400,000	\$521,000			\$172,249,700
Contingency						\$200,000,000
Recertifications						\$50,000,000
Total	\$170,328,700	\$1,400,000	\$521,000	\$0	\$0	\$422,249,700
Re-Appropriations FY 2015	\$982,342,600	\$2,465,900	\$0	\$0	\$70,000,000	\$1,054,808,500
Grand Total	\$1,152,671,300	\$3,865,900	\$521,000	\$0	\$70,000,000	\$1,477,058,200