URGING HART TO FOLLOW CHARTER REQUIREMENTS AND PAY FOR ITS OWN LEGAL COSTS.

WHEREAS, the Honolulu Authority for Rapid Transportation ("HART" or the "authority") is responsible for the development of the Honolulu High-Capacity Transit Corridor Project (the "Rail Project"); and

WHEREAS, Section 17-112, Revised Charter of the City and County of Honolulu 1973 (2017 Edition), states in part that:

The corporation counsel of the city shall be the legal adviser of the authority and shall institute and defend, as the board may require, any and all actions involving matters under the jurisdiction of the authority.

The compensation for such legal work shall be as agreed upon by the board and the council and shall be paid from the revenues of the authority.

The authority may employ an attorney to act as its legal adviser and to represent the authority in any litigation to which the authority is a party; and

WHEREAS, HART has received three federal grand jury subpoenas (dated February 3, 8, and 15, 2019), issued by the United States Department of Justice in a federal criminal investigation of the agency, demanding that HART provide tens of thousands of documents related to construction and oversight of the Rail Project, including information involving its construction contracts, relocation funds, and payments, and minutes of its board meetings, including its executive sessions; and

WHEREAS, it has been reported that the City Administration is hiring an outside attorney to handle issues relating to the federal investigation of HART and that $50,000 has been allocated by the City to pay for the attorney; and

WHEREAS, for the fiscal year beginning July 1, 2019, according to the report on HART's budget items exceeding $50,000 for the Fiscal Year 2020 HART Capital Budget (D-173 (2019), Attachment D), HART has allocated $3,753,685 for expenses relating to outside legal counsel; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the Honolulu Authority for Rapid Transportation ("HART") is urged to follow the requirements of Section 17-112, Revised Charter of the City and County of Honolulu
RESOLUTION

1973 (2017 Edition), and use the $3,753,685 allocated for legal expenses to pay for its own legal fees, including legal fees relating to the federal investigation of HART; and

BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Corporation Counsel, the Chair of HART's Board of Directors, and HART's Executive Director and Chief Executive Officer.

INTRODUCED BY: Hadi Tsunoyoshi

DATE OF INTRODUCTION: JUL 05 2019

Honolulu, Hawaii Councilmembers

FILED JUL 05 2020
Pursuant to RCH Sec. 1-3.5