



IN REPLY REFER TO:
CMS-AP00-01394

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

BOARD OF DIRECTORS

September 15, 2015

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MEMORANDUM

TO: HART BOARD OF DIRECTORS
FROM: DANIEL A. GRABAUSKAS, EXECUTIVE DIRECTOR AND CEO
SUBJECT: FISCAL YEAR 2017 BUDGET

Pursuant to the Honolulu Authority for Rapid Transportation's (HART) Financial Policies, Section III (C) and (D), this memorandum transmits for your consideration and input HART's Proposed Fiscal Year (FY) 2017 Operating and Capital Budgets, and Six-Year Capital Program in the amounts delineated below and in Exhibits A, B and C (as attached) and assumes GET surcharge extension and projected cost increase of \$594 million.

Total FY 2017 Operating Budget.....\$ 31,380,800
Total FY 2017 Capital Budget\$116,681,000

After the Board's review of the proposed budget, the Operating and Capital Budgets are transmitted to the Mayor and City Council for their review before December 1, 2015. HART's proposed FY 2017 budgets do not include any request of City general fund monies.

DANIEL A. GRABAUSKAS
Executive Director and CEO

Attachments

Requested FY 2017 Operating Budget

Honolulu Authority for Rapid Transportation
 Requested Operating Expense Budget
 For Fiscal Year 2017

Budget Description	2016	2017	Change From FY 2016 Budget	
	Budget	Budget	Amount	%
Labor Costs				
Regular Pay	9,401,600	9,718,600	317,000	3.4%
Overtime, Night Shift, Temp Assign Pay	53,000	53,000	0	0.0%
Accumulated Lump sum Vacation Pay	42,000	42,000	0	0.0%
Fringe Benefits	4,326,400	4,470,600	144,200	3.3%
Service or Merit Awards	1,000	1,000	0	0.0%
OPEB Contribution	195,000	292,000	97,000	49.7%
Labor Costs Sub-total	14,019,000	14,577,200	558,200	4.0%
Current Expenses				
Advertising, Publication of Notices	45,000	35,000	(10,000)	0.0%
Audit Service Fee	80,000	80,000	0	0.0%
Communication Svcs	128,000	150,000	22,000	17.2%
Computer Software Maintenance Agreement	100,000	100,000	0	0.0%
Fees (Memberships, Registration & Parking)	50,000	50,000	0	0.0%
Insurance on Equip. & Gen. Liab.	73,000	73,000	0	0.0%
Legal Services	1,000,000	1,000,000	0	0.0%
Meals & Foods	6,500	6,500	0	0.0%
Office & Computer Supplies	150,000	130,000	(20,000)	0.0%
Other Fixed Charges (Stipend)	500,000	0	(500,000)	0.0% **
Other Repairs to Bldgs & Structures	5,000	5,000	0	0.0%
Parts / Equip	210,300	188,300	(22,000)	0.0%
Postage & Shipping	39,000	39,000	0	0.0%
Printing & Binding	1,500	11,500	10,000	666.7%
Professional Svcs. Direct Reimb	2,031,500	2,070,800	39,300	1.9%
Professional Svcs. Other	170,000	170,000	0	0.0%
R&M - Office Furniture & Equip	12,000	12,000	0	0.0%
Rentals	2,445,000	2,515,500	70,500	2.9%
Safety & Misc Supplies	6,000	6,000	0	0.0%
Telephone	40,000	60,000	20,000	50.0%
Travel Expense - Out-of-State	95,000	95,000	0	0.0%
Relocation - New Hires	0	0	0	0.0%
Current Expenses Sub-total	7,187,800	6,797,600	(390,200)	0.0%
Equipment				
Equipment & Software	6,000	6,000	0	0.0%
Equipment Sub-total	6,000	6,000	0	0.0%
Total Operating Expenses	21,212,800	21,380,800	168,000	0.8%
Debt Service				
Interest Expense	8,000,000	10,000,000	2,000,000	25.0%
Debt Service Sub-total	8,000,000	10,000,000	2,000,000	25.0%
Grand Total	29,212,800	31,380,800	2,168,000	7.4%
Total Full-time Equivalent Positions	139	139		

**Stipends for FY 2017 reflected in FY 2017 Capital Budget Request

Requested FY 2017 Capital Budget

Honolulu Authority for Rapid Transportation
FY 2017 Capital Budget

Cost Type	CPP Number	Contract Name	Proposed FY 2017
Contract	DBB600	Park-and-Ride Lots Construction	\$ 5,351,000
	HART201	HART Expenses & ODC	\$ 20,000
	MI930	Project-wide Elevator / Escalator Design-Furnish-Install-Op.	\$ 15,354,000
	MM913	General Engineering Consultant, Construction (GEC-3)	\$ 15,197,000
	MM920	HDOT Coordination Consultant - West Oahu/Farrington Section	\$ 750,000
	MM921	HDOT Coordination Consultant – Kamehameha Section	\$ 1,000,000
	MM922	HDOT Coordination Consultant - Airport Section	\$ 2,000,000
	MM930	HDOT State Safety Oversight Agency (SOA) Consultant	\$ 591,000
	MM937	ROW Engineering Support Services (inc. Mapping & Surveying)	\$ 1,498,000
	MM940	Kako'o Consultant	\$ 400,000
	MM946	On-Call Hazardous Materials (HazMat) Removal Contractor	\$ 1,075,000
	MM947	On-Call Contractor 2	\$ 1,000,000
	MM951	Owner-Controlled Insurance Program (OCIP) Broker + Insurance	\$ 8,000,000
	MM962	Core Systems Contract Oversight Consultant	\$ 8,770,000
	MM964	Safety & Security Certification Consultant	\$ 800,000
	MM975	LEED Commissioning Services for MSF	\$ 15,000
	PA101	Programmatic Agreement– Humanities Program	\$ 110,000
PA103	Programmatic Agreement– HPC Park Improvements	\$ 750,000	
Contract Total			\$ 62,681,000
Contingency	Cont.	Contingency	\$ 54,000,000
Grand Total			\$ 116,681,000

Requested 6-Year Capital Program FY 2017-2022

Honolulu Authority for Rapid Transportation
6-Year Capital Program FY 2017-2022

Cost Type	CPP Number	Contract Name	Proposed FY 2017	Proposed FY 2018	Proposed FY 2019	Proposed FY 2020	Proposed FY 2021	Proposed FY 2022	6-Year Total FY 2017-2022
Contract	DBB600	Park-and-Ride Lots Construction	\$5,351,000	\$0	\$0	\$0	\$0	\$0	\$5,351,000
	HART201	HART Expenses & ODC	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$40,000
	MI930	Project-wide Elevator / Escalator Design-Furnish-Install-Op.	\$15,354,000	\$13,713,000	\$0	\$0	\$0	\$0	\$29,067,000
	MM913	General Engineering Consultant, Construction (GEC-3)	\$15,197,000	\$0	\$0	\$0	\$0	\$0	\$15,197,000
	MM920	HDOT Coordination Consultant - West Oahu/Farrington Section	\$750,000	\$0	\$0	\$0	\$0	\$0	\$750,000
	MM921	HDOT Coordination Consultant – Kamehameha Section	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$1,000,000
	MM922	HDOT Coordination Consultant - Airport Section	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$2,000,000
	MM930	HDOT State Safety Oversight Agency (SOA) Consultant	\$591,000	\$0	\$0	\$0	\$0	\$0	\$591,000
	MM937	ROW Engineering Support Services (inc. Mapping & Surveying)	\$1,498,000	\$0	\$0	\$0	\$0	\$0	\$1,498,000
	MM940	Kako'o Consultant	\$400,000	\$0	\$0	\$0	\$0	\$0	\$400,000
	MM946	On-Call Hazardous Materials (HazMat) Removal Contractor	\$1,075,000	\$0	\$0	\$0	\$0	\$0	\$1,075,000
	MM947	On-Call Contractor 2	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$1,000,000
	MM951	Owner-Controlled Insurance Program (OCIP) Broker + Insurance	\$8,000,000	\$8,000,000	\$2,970,000	\$0	\$0	\$0	\$18,970,000
	MM962	Core Systems Contract Oversight Consultant	\$8,770,000	\$8,770,000	\$8,770,000	\$0	\$0	\$0	\$26,310,000
	MM964	Safety & Security Certification Consultant	\$800,000	\$0	\$0	\$0	\$0	\$0	\$800,000
	MM975	LEED Commissioning Services for MSF	\$15,000	\$0	\$0	\$0	\$0	\$0	\$15,000
	PA101	Programmatic Agreement– Humanities Program	\$110,000	\$0	\$0	\$0	\$0	\$0	\$110,000
	PA103	Programmatic Agreement– HPC Park Improvements	\$750,000	\$0	\$0	\$0	\$0	\$0	\$750,000
Contract Total			\$62,681,000	\$30,503,000	\$11,740,000	\$0	\$0	\$0	\$104,924,000
Contingenc Cont.		Contingency	\$54,000,000	\$140,000,000	\$53,000,000	\$36,000,000	\$86,000,000	\$0	\$369,000,000
Grand Total			\$116,681,000	\$170,503,000	\$64,740,000	\$36,000,000	\$86,000,000	\$0	\$473,924,000