

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2015 – 34

**APPROVING OPERATING AND CAPITAL BUDGETS
FOR THE FISCAL YEAR 2016 ENDING JUNE 30, 2016**

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, the Charter empowers the Authority to prepare annual operating and capital budgets for the fixed guideway transit project and for the Authority's operations; and

WHEREAS, it is in the public interest that the Authority have spending plans for both operating and capital expenses to ensure that expenditures are properly controlled and accounted for in fiscal year 2016; and

WHEREAS, HART prepared both Operating and Capital Budgets for fiscal year 2016; and

WHEREAS, the Finance Committee of the Board of Directors (Board) has reviewed the line item details of the Operating and Capital Budgets, made recommendations, and approved said Operating and Capital Budgets; and

WHEREAS, the Board has reviewed said Operating and Capital Budgets for the Authority; and

WHEREAS, the Operating and Capital Budgets are fully funded by the Transit Fund; and

WHEREAS, the Charter empowers the Board to review, modify as necessary, and adopt annual operating and capital budgets for the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. Estimated revenues in the amount of \$29,212,800 are hereby appropriated from the Transit Fund for the Operating Budget for the fiscal year July 1, 2015 to June 30, 2016 for the following purposes:

- \$ 14,019,000 Personnel
- \$ 7,187,800 Current Expenses
- \$ 6,000 Equipment
- \$ 8,000,000 Interest Expense

2. Estimated revenues in the amount of \$1,783,506,585 from are hereby appropriated from the Transit Fund for the Capital Budget for the fiscal year July 1, 2015 to June 30, 2016; and
3. The Executive Director is hereby authorized to manage the revenues and expenditures of the Transit Fund's subsidiary fund accounts to ensure proper accounting of the monies pursuant to the standards for financial administration requirements of Title 49, Code of Federal Regulations Part 18; and

4. The Executive Director is hereby authorized to conduct the administrative affairs of the Authority in accordance with the Authority's Financial Policies utilizing the Operating and Capital Budgets established herein; and
5. This Resolution shall take effect on July 1, 2015.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on
JUN 25 2015.


Board Chair

Attest:


Board Administrator

EXHIBIT A

<u>Budget Description</u>	<u>2015 Budget</u>	<u>2016 Budget</u>
<u>Personnel</u>		
Regular Pay	\$9,414,755	\$9,401,600
Overtime, Night Shift, Temp Assign Pay	95,000	95,000
Fringe Benefits	4,332,670	4,326,400
OPEB Mandatory Payment	0	195,000
Service or Merit Awards	1,000	1,000
Personnel Expense Subtotal	13,843,425	14,019,000
<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 (Stipend)	500,000	500,000
Current Expenses Subtotal	7,631,604	7,187,800
<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

Honolulu Authority for Rapid Transportation Capital Appropriations for FY 2016	
	Total
FY 2016 Original Proposed:	
Dillingham SG, Kaka`ako SG Construction	\$122,502,100
HART ODC	\$20,000
Elevators and Escalators	\$16,474,000
Gen Engineering Consultant FD-Construction	\$8,233,500
HDOT Coordination Consultant - West Oahu/Farrington	\$5,613,000
HDOT Coordination Consultant – Kamehameha Section	\$2,600,000
Owner-Controlled Insurance Program (OCIP) Consultant	\$208,100
Owner-Controlled Insurance Program (OCIP)	\$5,000,000
Core Systems Support	\$8,078,000
Safety and Security	\$1,400,000
Programmatic Agreement– Historic Preservation Com.	\$200,000
HDOT Coordination Consultant - Airport Section	\$1,400,000
HDOT State Safety Oversight Agency (SOA) Manager	\$421,000
Kako'o Consultant	\$100,000
Contingency	\$200,000,000
Recertifications	\$50,000,000
Subtotal FY 2016 Proposed	\$422,249,700
FY 2015 Re-Appropriation:	
Pearl Highlands Parking Structure/Bus Transit Center	\$173,507,400
Airport Station Group Construction	\$63,346,900
City Center Section Utilities Construction	\$63,025,100
Airport and City Center Sections Guideway	\$682,463,200
UH West Oahu Park-and-Ride and Ho`opili Station	\$2,465,900
Right of Way	\$20,000,000
Utilities	\$50,000,000
Subtotal FY 2015 Reappropriations	\$1,054,808,500
Total Original Proposed Budget	\$1,477,058,200
Re-Appropriations of Previously Approved Funds:	
West Side SG - West Oahu / Kam Hwy (Base); Design Portion of Pearl Highlands Garage (now a DB contract); and transfer of currently encumbered funds for the Fare Collection System	\$168,748,385
Right of Way net, Utility Relocation net, and Art in Transit	\$137,700,000
Total Re-Appropriation Carry Forward	\$306,448,385
Total Requested Including Re-Appropriations	\$1,783,506,585

Honolulu Authority for Rapid Transportation

STAFF SUMMARY

TITLE:
RESOLUTION NO. 2015-34 APPROVING OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2016 ENDING JUNE 30, 2016

STAFF CONTACT:
 Diane Arakaki

DATE:
 June 25, 2015

Type:	Goal	Focus Area	Reference Notes
<input checked="" type="checkbox"/> Action/Approval	<input checked="" type="checkbox"/> Project Delivery	<input type="checkbox"/> Livability/Land Use	
<input type="checkbox"/> Information	<input type="checkbox"/> Service Delivery	<input type="checkbox"/> Partnerships	
<input type="checkbox"/> Follow-up	<input type="checkbox"/> Resource Stewardship	<input checked="" type="checkbox"/> Agency Admin.	

1. Purpose:

Approval of the Fiscal Year 2016 Operating and Capital Budgets

2. Background/Justification

The FY2016 Operating and Capital Budgets were approved by the HART Finance Committee and transmitted to the Mayor and City Council on October 23, 2014.

3. Procurement Background

N/A

4. Financial/Budget Impact

Appropriates funds to ensure that both operating and capital expenditures are properly controlled and accounted for in FY2016.

5. Policy Impact

N/A

6. Public Involvement

There were opportunities for public input and testimony at the following Board or Finance Committee meetings on:

October 9, 2014

October 23, 2014

March 12, 2015

April 23, 2015

May 21, 2015

and now June 25, 2015 on the HART Operating and Capital budgets.

7. Alternatives

N/A

8. Exhibits

None

Certified and Recommended by:



Executive Director and CEO

6/19/15
Date