



HONOLULU AUTHORITY for RAPID TRANSPORTATION

## MINUTES

**Finance Committee Meeting**  
**Ali'i Place, Suite 150**  
**1099 Alakea Street, Honolulu, Hawaii**  
**Thursday, October 23, 2014 9:00 A.M.**

PRESENT:	Keslie Hui Donald G. Horner Robert "Bobby" Bunda	Carrie Okinaga Ford Fuchigami Michael Formby
ALSO IN ATTENDANCE: (Sign-In Sheet and Staff)	Daniel Grabauskas Diane Arakaki Jeanne Mariani-Belding Michael McGrane Rose Pou Cindy Matsushita	Barbra Armentrout Breene Harimoto Gary Takeuchi Joyce Oliveira Andrea Tantoco
EXCUSED:	George Atta	Ivan Lui-Kwan

### I. Call to Order by Chair

HART Finance Committee Chair Keslie Hui called the meeting to order at 9:22 a.m.

### II. Public Testimony on all Agenda Items

Mr. Hui called for public testimony.

Barbra Armentrout asked whether the operating budget encompassed fringe benefits such as pensions. HART Executive Director and CEO Daniel Grabauskas said that it included pensions, health care costs, and other benefits. Ms. Armentrout also provided testimony urging the Board to include more restrooms at rail stations.

Rose Pou also testified for the need for accessible restrooms.

Mr. Hui thanked Ms. Armentrout and Ms. Pou for being strong advocates for the disabled community.

Jeff Barrett provided testimony in response to the recent west side station bids, which had come in higher than anticipated. He urged HART to consider development utilizing air rights.

HART Finance Committee Meeting Minutes  
October 23, 2014

Mr. Hui thanked Mr. Barrett for his testimony.

III. Approval of the October 9, 2013 Minutes of the Finance Committee Meeting

Mr. Hui said that the approval of the minutes would be deferred.

IV. FY2016 Operating and Capital Budget

Mr. Hui called for a motion to approve the FY2016 Operating and Capital budgets. Committee member Donald Horner so moved, and Robert "Bobby" Bunda seconded the motion. Mr. Horner acknowledged the contribution of Councilmember Ann Kobayashi in providing input to HART's budget.

All being in favor, the motion carried unanimously.

V. Executive Session

There was no need for executive session.

VI. Adjournment

Mr. Hui adjourned the meeting at 9:29 a.m.

Respectfully Submitted,

  
\_\_\_\_\_  
Cindy Matsushita  
Board Administrator

Approved:

  
\_\_\_\_\_  
Kesslie W.K. Hui  
Chair, Finance Committee

MAR 12 2015

\_\_\_\_\_  
Date

## ATTACHMENT A



IN REPLY REFER TO:  
CMS-AP00-00801

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas  
EXECUTIVE DIRECTOR AND CEO

BOARD OF DIRECTORS

October 23, 2014

Ivan M. Lui-Kwan, Esq.  
CHAIR

Donald G. Horner  
VICE CHAIR

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



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

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



HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas  
EXECUTIVE DIRECTOR AND CEO

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

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  
Keslie W.K. Hui  
Damien T.K. Kim  
Carrie K.S. Okinaga, Esq.

<b>Budget Description</b>	<b>2015 Budget</b>	<b>2016 Budget</b>
<b><u>Personnel</u></b>		
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
<b>Personnel Expense Subtotal</b>	<b>13,843,425</b>	<b>14,519,000</b>
<b><u>Current Expenses</u></b>		
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
<b>Current Expenses Subtotal</b>	<b>7,631,604</b>	<b>6,687,800</b>
<b><u>Equipment &amp; Software</u></b>	<b>6,000</b>	<b>6,000</b>
<b>Total Before Debt Service</b>	<b>21,481,029</b>	<b>21,212,800</b>
Interest Expense	0	8,000,000
<b>Total Budget</b>	<b>21,481,029</b>	<b>29,212,800</b>
<b>Total Full-time Equivalent Positions</b>	<b>139</b>	<b>139</b>

# 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
<b>Construction</b>	<b>\$143,976,100</b>					<b>\$143,976,100</b>
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
<b>Consultants</b>	<b>\$26,132,600</b>	<b>\$1,400,000</b>	<b>\$421,000</b>			<b>\$27,953,600</b>
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
<b>Programmatic Agreements</b>	<b>\$200,000</b>		<b>\$100,000</b>			<b>\$300,000</b>
MM-940 Kako'o Consultant			\$100,000			\$100,000
PA-102 Programmatic Agreement– Historic Preservation Com.	\$200,000					\$200,000
<b>Quality Audits</b>	<b>\$20,000</b>					<b>\$20,000</b>
<b>Total</b>	<b>\$170,328,700</b>	<b>\$1,400,000</b>	<b>\$521,000</b>			<b>\$172,249,700</b>
Contingency						\$200,000,000
Recertifications						\$50,000,000
<b>Total</b>	<b>\$170,328,700</b>	<b>\$1,400,000</b>	<b>\$521,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$422,249,700</b>
Re-Appropriations FY 2015	\$982,342,600	\$2,465,900	\$0	\$0	\$70,000,000	\$1,054,808,500
<b>Grand Total</b>	<b>\$1,152,671,300</b>	<b>\$3,865,900</b>	<b>\$521,000</b>	<b>\$0</b>	<b>\$70,000,000</b>	<b>\$1,477,058,200</b>