

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016 – 18

**APPROVING OPERATING AND CAPITAL BUDGETS
FOR FISCAL YEAR 2017 ENDING JUNE 30, 2017**

WHEREAS, the Honolulu Authority for Rapid Transportation (HART or Authority) 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 the fiscal year 2017; and

WHEREAS, HART prepared both Operating and Capital budgets for fiscal year 2017; and

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

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

WHEREAS, the said Operating and Capital Improvement 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 which are more particularly described in the attached documents marked as Exhibit A and Exhibit B, for the Authority;

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

1. Estimated revenues in the amount of \$31,326,467 are hereby appropriated from the Transit Fund for the Operating Budget for the fiscal year July 1, 2016 to June 30, 2017 for the following purposes:
 - \$ 14,114,200 Personnel
 - \$ 7,206,267 Current Expenses
 - \$ 6,000 Equipment
 - \$ 10,000,000 Interest Expense
2. Estimated revenues in the amount of \$2,548,302,000 are hereby appropriated from the Transit Fund for the Capital Improvement Budget for the fiscal year July 1, 2016 to June 30, 2017 for the following:

\$ 604,299,000 Transit Project
 \$ 820,000,000 Airport Section Guideway and Station Group
 \$ 866,000,000 City Center Section Guideway and Station Group

 \$ 258,000,000 Pearl Highlands Parking Garage and Bus Terminal
 \$ 3,000 Project Adjustment Account
\$2,548,302,000

3. The funds provided from the Project Adjustment Account may be expended to pay for any excess in contract price(s) or project cost when either amount exceeds estimates. The Board's approval is required when the cumulative sum provided to a project from the Project Adjustments Account during a fiscal year exceeds either the lesser of \$100,000 or 10 percent of the budgeted amount.

Whenever a project's contract is executed for an amount less than the project's appropriation, only the amount that is in excess shall be transferred to the Project Adjustments Account. Staff shall report all transactions to and/or from the account to the Board within 30 days from the date the transfer was approved; and

4. No more than \$4.815 billion in surcharge moneys may be expended for the mass transit project. Additionally, no more than \$6.831 billion in total revenues may be expended for the mass transit project; and
5. 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
6. 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 Improvement Budgets established herein; and
7. This Resolution shall take effect on July 1, 2016.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on

_____.

Exhibit A – Requested FY 2017 Operating Budget

Exhibit B – Requested FY 2017 Captial Budget

Board Chair

Attest:

Board Administrator

EXHIBIT A

Budget Description	2016 Budget	2017 Budget
Labor Costs		
Regular Pay	9,401,600	9,255,600
Overtime, Night Shift, Temp Assign Pay	53,000	53,000
Accumulated Lump sum Vacation Pay	42,000	42,000
Fringe Benefits	4,326,400	4,470,600
Service or Merit Awards	1,000	1,000
OPEB Contribution	195,000	292,000
Labor Costs Sub-total	14,019,000	14,114,200
Current Expenses		
Advertising, Publication of Notices	45,000	35,000
Audit Service Fee	80,000	80,000
Communication Svcs	128,000	170,000
Computer Software Maintenance Agreement	100,000	100,000
Fees (Memberships, Registration & Parking)	50,000	40,000
Insurance on Equip. & Gen. Liab.	73,000	73,000
Legal Services	1,000,000	250,000
Meals & Foods	6,500	6,500
Office & Computer Supplies	150,000	130,000
Other Fixed Charges (Stipend, Transit Mitigation)	500,000	0
Other Repairs to Bldgs & Structures	5,000	5,000
Parts / Equip	210,300	188,300
Postage & Shipping	39,000	39,000
Printing & Binding	1,500	11,500
Professional Svcs. Direct Reimb	2,031,500	2,070,800
Professional Svcs. Other	170,000	170,000
R&M - Office Furniture & Equip	12,000	12,000
Rentals	2,445,000	1,711,667
Safety & Misc Supplies	6,000	6,000
Telephone	40,000	60,000
Travel Expense - Out-of-State	95,000	47,500
Transit Mitigation Fund	0	2,000,000
Current Expenses Sub-total	7,187,800	7,206,267
Equipment		
Equipment & Software	6,000	6,000
Equipment Sub-total	6,000	6,000
Total Operating Expenses	21,212,800	21,326,467
Debt Service		
Interest Expense	8,000,000	10,000,000
Debt Service Sub-total	8,000,000	10,000,000
Grand Total	29,212,800	31,326,467

TOTAL FULL-TIME EQUIVALENT POSITIONS 139 139

EXHIBIT B

Original Requested FY 2017 Capital Budget:

Cost Type	CPP Number	Contract Name	CIP Budget
Contract	DBB600	Park-and-Ride Lots Construction	\$ 7,351,000
	MI930	Project-wide Elevator / Escalator	\$ 15,354,000
	MM290	Westside Construction Eng. & Inspection (CE&I) Svcs.	\$ 5,923,000
	MM920	HDOT Coordination Consultant - West Oahu/Farrington	\$ 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
	MM940	Kako'o Consultant	\$ 400,000
	MM947	On-Call Contractor 2	\$ 1,000,000
	MM951	Owner-Controlled Insurance Program (OCIP)	\$ 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	\$ 113,000
Contract Total			\$ 52,177,000
Contingency Contingency			\$ 130,122,000
Original Requested FY 2017 Capital Budget			\$ 182,299,000

Updated Capital Re-Appropriations and Other:

DB450	Airport Section Guideway and Station Group	\$ 820,000,000
DB550	City Center Section Guideway and Station Group	\$ 866,000,000
DB275	Pearl Highlands Parking Garage and Bus Terminal	\$ 258,000,000
ROW	Right of Way	\$ 85,000,000
UTIL	Private Utility Relocation	\$ 75,000,000
New	Route Extension Study	\$ 12,000,000
New	Project Adjustments Account	\$ 3,000
Contingency	Contingency Re-Appropriation	\$ 250,000,000
Total Updated FY 2017 Capital with Re-Appropriations and Other		\$ 2,366,003,000
Grand Total HART FY 2017 CIP Budget		\$ 2,548,302,000