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GOVERNOR



RODERICK K. BECKER
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STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

Comptroller's Certification

The Director
Department of Budget and Finance:

We have verified the Hawaii Authority for Rapid Transportation's (HART) compliance with Hawaii Revised Statutes (HRS) §46-16.8 (e) for capital costs in invoices submitted to the Comptroller by HART in the accompanying Schedule of Invoices. Management of HART is responsible for HART's compliance with HRS §46-16.8 (e). Our responsibility is to verify the invoices for capital costs comply with HRS §46-16.8 (e).

As more fully described in Note 2 to the accompanying Schedule of Invoices, our verification procedures involved procedures to obtain evidence about whether the invoices submitted by HART for the capital costs of a locally preferred alternative for a mass transit project comply with HRS §46-16.8 (e). We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

Our verification procedures do not provide a legal determination of HART's compliance with HRS §46-16.8 (e).

Based on the results of our verification procedures performed, the invoices for capital costs in the accompanying Schedule of Invoices comply with HRS §46-16.8 (e).

/s/

Roderick K. Becker
Comptroller
July 18, 2018

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Schedule of Invoices

<u>Vendor</u>	<u>Contract No.</u>	<u>Invoice No.</u>	<u>Amount</u>
Ansaldo Honolulu JV	CT-1200106	00073	\$ 12,979,899.62
Ansaldo Honolulu JV	CT-1200106	00075	7,538,319.63
Ansaldo Honolulu JV	CT-1200106	00076	2,373,184.55
Hawaiian Dredging Construction Company, Inc.	CT-1500236	00019	2,410,359.03
Hawaiian Dredging Construction Company, Inc.	CT-1500236	00020	2,531,636.10
Lea + Elliott, Inc.	SC-1400049	00087	575,079.81
Lea + Elliott, Inc.	SC-1400049	00088	613,654.45
Nan, Inc	CT-1600152	00016	960,226.75
Nan, Inc	CT-1600152	00017	4,478,567.71
Nan, Inc	CT-1600152	00018	3,193,656.80
PGH Wong Engineering, Inc	SC-1400050	00165	738,284.95
PGH Wong Engineering, Inc	SC-1400050	00168	545,593.32
PGH Wong Engineering, Inc	SC-1400050	00169	546,245.96
Schindler Elevator Corporation	CT-1300318	00045	330,529.62
Shimmick/Traylor/Granite, JV	CT-1600385	00015	8,260,383.41
Shimmick/Traylor/Granite, JV	CT-1600385	00016	22,287,712.14
Shimmick/Traylor/Granite JV	CT-1600385	00017	8,015,219.52
Stantec Consulting Services, Inc	SC-1600008	00047	776,650.86
Stantec Consulting Services, Inc	SC-1600008	00049	453,117.35
Stantec Consulting Services, Inc	SC-1600008	00050	592,766.29
Stantec Consulting Services, Inc	SC-1600008	00051	454,518.40
Stantec Consulting Services, Inc	SC-1600008	00052	600,368.47
Stantec Consulting Services, Inc	SC-1600008	00053	487,662.46
			<u>\$ 81,743,637.20</u>

The accompanying notes are an integral part of the Schedule of Invoices.

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Notes to Schedule of Invoices

1. Organization

The Honolulu Authority for Rapid Transportation (HART) is a semi-autonomous government unit of the City and County of Honolulu (City) which came into being pursuant to the Revised Charter of the City and County of Honolulu (RCH). HART is authorized under the RCH to develop, operate, maintain, and expand the City guideway system.

2. Hawaii Revised Statutes §46-16.8 (e) and §40-81.5

Hawaii Revised Statutes (HRS) §46-16.8 (e) provides for the use of surcharge revenues received from the State of Hawaii (State) for capital costs of a locally preferred alternative for a mass transit project provided that revenues derived from the county surcharge of State tax shall not be used:

- (1) To build or repair public roads or highways, bicycle paths, or support public transportation systems already in existence prior to July 12, 2005;
- (2) For operating or maintenance costs of a mass transit project or any purpose not consistent with this subsection; or
- (3) For administrative or operating, marketing, or maintenance costs, including personnel costs, of a rapid transportation authority (Authority) charged with the responsibility for constructing, operating or maintaining the mass transit project.

HRS §40-81.5 requires the Comptroller, upon request for payment by the rapid transportation authority, to verify that the Authority's invoices for capital costs of a locally preferred alternative for a mass transit project comply with HRS §46-16.8 (e). After submission of invoices by the Authority for capital costs of a locally preferred alternative for a mass transit project are verified by the Comptroller as an acceptable use of funds pursuant to a surcharge on State tax authorized pursuant to HRS §46-16.8, the Comptroller shall submit a certification statement, including any appropriate supporting documents, to the State Department of Budget and Finance for allocation of funds, if available. The certification statement shall include, at a minimum, the total amount contained in the invoices for capital costs that are verified as an appropriate use of funds pursuant to HRS §46-16.8 (e).