

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



KEITH A. REGAN
COMPTROLLER
KA LUNA HO'OMALU HANA LAULĀ

MEOM-LENG SILLIMAN
DEPUTY COMPTROLLER
KA HOPE LUNA HO'OMALU HANA LAULĀ

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWÉ LAULĀ
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

Comptroller's Certification

Mr. Luis P. Salaveria, Director
Department of Budget and Finance
State of Hawaii

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

As more fully described in Note 2 and Note 3 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 (f). We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

As more fully described in Note 4 to the accompanying Schedule of Invoices, adjustments may be made to reduce the amount of future reimbursements to HART for prior invoices certified by the Comptroller that are found to be in error due to fraud, illegal activities or other violations of laws and regulations.

Our verification procedures do not provide a legal determination of HART's compliance with HRS §46-16.8 (f). Further, as the objective of our procedures were limited to verifying that the costs in invoices submitted by HART complied with a specific law, our procedures were not designed to detect fraud or other illegal activities.

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 (f).

_____/S/_____
Keith A. Regan
Comptroller

Dated: August 5, 2025

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Schedule of Invoices

Vendor	Contract No.	Reference No.	Certified Amount
Alexander & Baldwin, Inc.	CT-HRT-19H0081	92053	\$ 252,996.25
Alexander & Baldwin, Inc.	CT-HRT-19H0081	94338	308,900.00
Alexander & Baldwin, Inc.	CT-HRT-19H0081	96658	308,900.40
Alexander & Baldwin, Inc.	CT-HRT-19H0081	98205	308,900.40
Alexander & Baldwin, Inc.	CT-HRT-19H0081	99898	308,900.40
Alexander & Baldwin, Inc.	CT-HRT-19H0081	100213	177,000.00
Alliant Insurance Services, Inc.	SC-HRT-2500043	2968417	2,700,839.26
Alliant Insurance Services, Inc.	SC-HRT-2500043	2968723	2,160,670.57
Alliant Insurance Services, Inc.	SC-HRT-2500043	2969746	2,700,839.26
Alliant Insurance Services, Inc.	SC-HRT-2500043	2971143	3,241,006.90
Chief Clerk First Circuit Court	TMK 1-2-003-118,119		5,100,000.00
Chief Clerk First Circuit Court	TMK 2-3-004-029, 079		167,000.00
City & County of Honolulu-Division of Treasury	ICP-HRT-25001406	GOB 2019A, Apr 2025	687,729.17
City & County of Honolulu-Division of Treasury	ICP-HRT-25001406	GOB 2020B, Apr 2025	999,479.17
City & County of Honolulu-Division of Treasury	ICP-HRT-25001406	GOB 2021E, Apr 2025	1,374,104.17
City & County of Honolulu-Division of Treasury	ICP-HRT-25001406	GOB 2023D, Apr 2025	518,895.84
City & County of Honolulu-Division of Treasury	ICP-HRT-25001488	GOB 2019A, May 2025	687,729.17
City & County of Honolulu-Division of Treasury	ICP-HRT-25001488	GOB 2020B, May 2025	999,479.17
City & County of Honolulu-Division of Treasury	ICP-HRT-25001488	GOB 2021E, May 2025	1,374,104.17
City & County of Honolulu-Division of Treasury	ICP-HRT-25001488	GOB 2023D, May 2025	518,895.83
City & County of Honolulu-Division of Treasury	ICP-HRT-25001616	GOB 2019A, June 2025	687,729.17
City & County of Honolulu-Division of Treasury	ICP-HRT-25001616	GOB 2020B, June 2025	999,479.17
City & County of Honolulu-Division of Treasury	ICP-HRT-25001616	GOB 2021E, June 2025	1,374,104.17
City & County of Honolulu-Division of Treasury	ICP-HRT-25001616	GOB 2023D, June 2025	518,895.83
Carried forward			\$ 28,476,578.47

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

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Schedule of Invoices (Continued)

<u>Vendor</u>	<u>Contract No.</u>	<u>Reference No.</u>	<u>Certified Amount</u>
		Carried over	\$ 28,476,578.47
Frank V. Coluccio Construction Co., Inc.	CT-HRT-2200128	00031	3,170,730.25
Frank V. Coluccio Construction Co., Inc.	CT-HRT-2200128	00033	1,838,597.35
Hitachi Rail Honolulu JV	CT-HRT-1200106	00151	2,029,011.75
Hitachi Rail Honolulu JV	CT-HRT-1200106	00154	179,170.00
Hitachi Rail Honolulu JV	CT-HRT-1200106	00156	288,364.00
Hitachi Rail Honolulu JV	CT-HRT-1200106	00159	147,000.00
HMS Construction, Inc.	CT-HRT-2400156	00010	3,201,496.11
HMS Construction, Inc.	CT-HRT-2400156	00011	816,092.42
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00054	156,513.30
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00055	98,832.01
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00057	148,775.31
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00058	38,905.14
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00062	93,095.29
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00065	157,497.37
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00074	157,640.09
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00076	98,670.07
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00080	214,330.27
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00082	389,410.09
Lea+Elliott, Inc.	SC-HRT-2300042	00023	481,367.21
Lea+Elliott, Inc.	SC-HRT-2300042	00024	428,992.73
Lea+Elliott, Inc.	SC-HRT-2300042	00025	441,665.89
Lea+Elliott, Inc.	SC-HRT-2300042	00026	418,617.25
		Carried forward	\$ 43,471,352.37

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

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Schedule of Invoices (Continued)

<u>Vendor</u>	<u>Contract No.</u>	<u>Reference No.</u>	<u>Certified Amount</u>
		Carried over	\$ 43,471,352.37
Nan, Inc. CCUR	CT-HRT-1800230	TO 5-22	32,069.32
Nan, Inc. CCUR	CT-HRT-1800230	TO 8-04	12,023.88
Nan, Inc. CCUR	CT-HRT-1800230	TO 12-19	115,877.29
Nan, Inc. CCUR	CT-HRT-1800230	TO 15-10	124,382.42
Nan, Inc. CCUR	CT-HRT-1800230	TO 15-19	197,270.47
Nan, Inc. CCUR	CT-HRT-1800230	TO 18-20	183,771.96
Nan, Inc. CCUR	CT-HRT-1800230	TO 21-29	264,065.85
Road and Highway Builders, LLC	CT-HRT-1900074	Ret Rel	211,631.28
Shimmick/Traylor/Granite JV	CT-HRT-1600385	00101	510,726.46
Tutor Perini Corporation	CT-HRT-2500084	00005	10,394,548.33
Tutor Perini Corporation	CT-HRT-2500084	00006	10,937,743.84
Tutor Perini Corporation	CT-HRT-2500084	00007	9,730,688.17
Tutor Perini Corporation	CT-HRT-2500084	00008	10,921,119.82
W.D. Schock Company, Inc.	SC-HRT-2100005	6495	92,421.50
W.D. Schock Company, Inc.	SC-HRT-2100005	6509	136,542.00
W.D. Schock Company, Inc.	SC-HRT-2100005	6518	120,481.50
W.D. Schock Company, Inc.	SC-HRT-2100005	6530	147,529.00
W.D. Schock Company, Inc.	SC-HRT-2100005	6557	156,642.50
W.D. Schock Company, Inc.	SC-HRT-2100005	6578	148,942.00
W.D. Schock Company, Inc.	SC-HRT-2100005	6582	90,348.85
W.D. Schock Company, Inc.	SC-HRT-2100005	6695	264,986.72
W.D. Schock Company, Inc.	SC-HRT-2100005	6703	237,362.65
		Carried forward	<u>\$ 88,502,528.18</u>

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

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Schedule of Invoices (Continued)

<u>Vendor</u>	<u>Contract No.</u>	<u>Reference No.</u>	<u>Certified Amount</u>
		Carried over	\$ 88,502,528.18
W.D. Schock Company, Inc.	SC-HRT-2100005	6711	225,236.14
W.D. Schock Company, Inc.	SC-HRT-2100005	6713	74,267.97
W.D. Schock Company, Inc.	SC-HRT-2100005	6728	262,622.42
W.D. Schock Company, Inc.	SC-HRT-2100005	6734	248,249.56
W.D. Schock Company, Inc.	SC-HRT-2100005	6747	270,268.06
W.D. Schock Company, Inc.	SC-HRT-2100005	6754	251,898.68
W.D. Schock Company, Inc.	SC-HRT-2100005	6760	289,398.14
W.D. Schock Company, Inc.	SC-HRT-2100005	6767	225,756.43
W.D. Schock Company, Inc.	SC-HRT-2100005	6805	64,067.95
W.D. Schock Company, Inc.	SC-HRT-2100005	6821	234,855.30
W.D. Schock Company, Inc.	SC-HRT-2100005	6830	219,556.99
W.D. Schock Company, Inc.	SC-HRT-2100005	6833	261,344.77
W.D. Schock Company, Inc.	SC-HRT-2100005	6847	226,359.63
W.D. Schock Company, Inc.	SC-HRT-2100005	6856	230,416.78
W.D. Schock Company, Inc.	SC-HRT-2100005	6865	255,264.42
W.D. Schock Company, Inc.	SC-HRT-2100005	6876	262,941.49
W.D. Schock Company, Inc.	SC-HRT-2100005	6884	248,936.43
W.D. Schock Company, Inc.	SC-HRT-2100005	6896	255,341.96
W.D. Schock Company, Inc.	SC-HRT-2100005	6904	199,024.00
W.D. Schock Company, Inc.	SC-HRT-2100005	6918	74,390.21
		Subtotal	<u>\$ 92,882,725.51</u>

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

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Schedule of Invoices (Continued)

<u>Vendor</u>	<u>Contract No.</u>	<u>Reference No.</u>	<u>Certified Amount</u>
		Carried over	<u>\$ 92,882,725.51</u>
(A) Stantec Consulting Services, Inc.	SC-HRT-2200050	00073	666,329.13
(A) Stantec Consulting Services, Inc.	SC-HRT-2200050	00074	445,808.84
(A) Stantec Consulting Services, Inc.	SC-HRT-2200050	00075	582,240.51
(A) Stantec Consulting Services, Inc.	SC-HRT-2200050	00076	467,077.79
(A) Stantec Consulting Services, Inc.	SC-HRT-2200050	00077	582,498.11
(A) Stantec Consulting Services, Inc.	SC-HRT-2200050	00078	397,048.19
(B) Nan, Inc. CCUR IV	CT-HRT-2300070	00023	10,261,874.96
(B) Nan, Inc. CCUR IV	CT-HRT-2300070	00024	4,841,786.89
(B) W.D. Schock Company, Inc.	SC-HRT-2100005	6720	142,345.07
(C) Road and Highway Builders, LLC	CT-HRT-1900074	00027	138,036.42
(C) Road and Highway Builders, LLC	CT-HRT-1900074	00030	404,323.15
(C) Road and Highway Builders, LLC	CT-HRT-1900074	00031	61,292.06
(C) Road and Highway Builders, LLC	CT-HRT-2200072	00001	80,437.50
(C) Road and Highway Builders, LLC	CT-HRT-2200072	00002	160,277.50
		Subtotal	<u>\$ 19,231,376.12</u>
		Total	<u><u>\$ 112,114,101.63</u></u>

See Note 3. Adjustments to Reduce Amounts Reimbursed to HART for items (A), (B), and (C).

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 (f) and §40-81.5

Hawaii Revised Statutes (HRS) §46-16.8 (f) 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 before 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 (f). 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 (f), the Comptroller shall submit a certification statement, including any appropriate supporting documents, to the State Department of Budget and Finance for allocation of funds from the Mass Transit Special Fund, 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 (f).

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Notes to Schedule of Invoices (Continued)

3. Adjustments to Reduce Amounts Reimbursed to HART

During the quarter ended June 30, 2025, the Comptroller identified invoices that contained amounts totaling \$83,760.86 which were deemed to be administrative costs of HART. These costs do not comply with HRS §46-16.8 (f) and the invoices were adjusted for these items to reduce the amount reimbursed to HART - see items (A).

The Comptroller identified three invoices that contained amounts totaling \$535.59 for errors on invoices which resulted in overpayments by HART. The invoices were adjusted for these items to reduce the amount reimbursed to HART - see items (B).

The Comptroller also identified three invoices that contained amounts totaling \$1,758,982.91 related to Left Turn into Kuala Street (LTKS) and LTKS Temporary Pedestrian Crosswalk for which costs will be reimbursed to HART by the Hawaii Department of Transportation (HDOT). In addition, there were three invoices that contained amounts totaling \$136,187.52 for which HART may seek Errors and Omissions reimbursement from the responsible party. These invoices were adjusted to reduce the amount reimbursed to HART - see items (C).

As of June 30, 2025, the balance in the Mass Transit Special Fund totaled \$112,114,134.32. As disclosed in the accompanying Schedule of Invoices, the amount certified by the Comptroller as of August 5, 2025, totaled \$112,114,101.63.

4. Fraud, Illegal Activities and/or Violations of Laws and Regulations

During February 2019, HART was served with three separate subpoenas by the United States Attorney for the District of Hawaii. As a result of such actions by Federal authorities, the Department of Accounting and General Services (DAGS) has determined that adjustments to reduce the amount of future reimbursements to HART will be made should prior invoices certified by the Comptroller be determined to be in error due to fraud, illegal activities or other violations of laws and regulations as a result of investigations, audits and/or judicial proceedings by any governmental body. The scope of this policy includes the findings and conclusions of investigators, auditors or other third parties contracted by such governmental bodies for the purpose of examining HART for possible fraudulent and illegal activities or other violations of laws and regulations.