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

Comptroller's Certification

Ms. Sabrina Nasir, Acting 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: November 5, 2025

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Schedule of Invoices

<u>Vendor</u>	<u>Contract No.</u>	<u>Reference No.</u>	<u>Certified Amount</u>
Alexander & Baldwin, Inc.	CT-HRT-19H0081	102094	\$ 252,996.25
Alexander & Baldwin, Inc.	CT-HRT-19H0081	103635	308,900.40
Alexander & Baldwin, Inc.	CT-HRT-19H0081	105429	308,900.40
Alexander & Baldwin, Inc.	CT-HRT-19H0081	107289	308,900.40
Alexander & Baldwin, Inc.	CT-HRT-19H0081	109118	308,900.40
Chief Clerk First Circuit Court	Multiple TMKs		27,640,877.00
City & County of Honolulu-Division of Treasury	ICP-HRT-26000110	GOB 2019A, July 2025	687,729.16
City & County of Honolulu-Division of Treasury	ICP-HRT-26000110	GOB 2020B, July 2025	999,479.16
City & County of Honolulu-Division of Treasury	ICP-HRT-26000110	GOB 2021E, July 2025	1,374,104.16
City & County of Honolulu-Division of Treasury	ICP-HRT-26000110	GOB 2023D, July 2025	518,895.83
City & County of Honolulu-Division of Treasury	ICP-HRT-26000304	GOB 2019A, Aug 2025	687,729.16
City & County of Honolulu-Division of Treasury	ICP-HRT-26000304	GOB 2020B, Aug 2025	999,479.16
City & County of Honolulu-Division of Treasury	ICP-HRT-26000304	GOB 2021E, Aug 2025	1,374,104.16
City & County of Honolulu-Division of Treasury	ICP-HRT-26000304	GOB 2023D, Aug 2025	518,895.83
City & County of Honolulu-Division of Treasury	ICP-HRT-26000452	GOB 2019A, Sep 2025	586,958.34
City & County of Honolulu-Division of Treasury	ICP-HRT-26000452	GOB 2020B, Sep 2025	999,479.17
City & County of Honolulu-Division of Treasury	ICP-HRT-26000452	GOB 2021E, Sep 2025	1,374,104.17
City & County of Honolulu-Division of Treasury	ICP-HRT-26000452	GOB 2023D, Sep 2025	518,895.84
Frank V. Coluccio Construction Co., Inc.	CT-HRT-2200128	00032	3,252,858.46
Frank V. Coluccio Construction Co., Inc.	CT-HRT-2200128	00034	3,024,471.06
Hitachi Rail Honolulu JV	CT-HRT-1200106	00152	616,691.20
Hitachi Rail Honolulu JV	CT-HRT-1200106	00160	315,006.00
Hitachi Rail Honolulu JV	CT-HRT-1200106	00161	147,000.00
Hitachi Rail Honolulu JV	CT-HRT-1200106	00162	711,092.00
		Carried forward	<u>\$ 47,836,447.71</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	\$ 47,836,447.71
Hitachi Rail Honolulu JV	CT-HRT-1200106	00163	2,400,501.97
HMS Construction, Inc.	CT-HRT-2400156	00012	914,356.10
HMS Construction, Inc.	CT-HRT-2400156	00013	5,398,063.68
HMS Construction, Inc.	CT-HRT-2400156	00014	6,571,979.97
HMS Construction, Inc.	CT-HRT-2400156	00015	3,649,826.19
HMS Construction, Inc.	CT-HRT-2400156	00016	4,448,263.51
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00060	83,551.29
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00066	86,612.63
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00068	83,812.27
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00073	81,082.07
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00077	152,454.96
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00078	85,643.26
Jacobs Engineering Group, Inc.	SC-HRT-2200048	00081	88,561.59
Lea+Elliott, Inc.	SC-HRT-2300042	00027	521,497.69
Lea+Elliott, Inc.	SC-HRT-2300042	00029	437,265.94
Nan, Inc. CCUR	CT-HRT-1800230	TO 11-1	57,181.30
Nan, Inc. CCUR	CT-HRT-1800230	TO 11-2	61,011.59
Nan, Inc. CCUR	CT-HRT-1800230	TO 11-4	23,581.77
Nan, Inc. CCUR IV	CT-HRT-2300070	00025	6,656,905.18
Nan, Inc. CCUR IV	CT-HRT-2300070	00026	5,967,206.03
Nan, Inc. CCUR IV	CT-HRT-2300070	00027	6,397,648.74
SSFM International, Inc.	SC-HRT-2500017	00001	43,686.84
		Carried forward	<u>\$ 92,047,142.28</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	\$ 92,047,142.28
Tutor Perini Corporation	CT-HRT-2500084	00009	9,334,944.03
Tutor Perini Corporation	CT-HRT-2500084	00010	9,925,031.00
W.D. Schock Company, Inc.	SC-HRT-2100005	6483	4,784.00
W.D. Schock Company, Inc.	SC-HRT-2100005	6919	135,195.00
W.D. Schock Company, Inc.	SC-HRT-2100005	6928	266,104.10
W.D. Schock Company, Inc.	SC-HRT-2100005	6936	247,092.18
W.D. Schock Company, Inc.	SC-HRT-2100005	6945	245,716.77
W.D. Schock Company, Inc.	SC-HRT-2100005	6951	285,318.19
W.D. Schock Company, Inc.	SC-HRT-2100005	6964	251,016.46
		Subtotal	<u>\$ 112,742,344.01</u>
(A) Stantec Consulting Services, Inc.	SC-HRT-2200050	00079	\$ 551,568.41
(A) Stantec Consulting Services, Inc.	SC-HRT-2200050	00080	522,443.71
(A) Jacobs Engineering Group, Inc.	SC-HRT-2200048	00070	86,086.01
(B) Jacobs Engineering Group, Inc.	SC-HRT-2200048	00083	168,567.70
(C) Road and Highway Builders, LLC	CT-HRT-1900074	00032	29,971.95
(C) Road and Highway Builders, LLC	CT-HRT-1900074	00033	(4,723.89)
		Subtotal	<u>\$ 1,353,913.89</u>
		Total	<u><u>\$ 114,096,257.90</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 September 30, 2025, the Comptroller identified invoices that contained amounts totaling \$29,552.64 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 an invoice that contained an amount for \$1,893.21 for errors on an invoice which resulted in an overpayment by HART. The invoice was adjusted for this item to reduce the amount reimbursed to HART - see item (B).

The Comptroller also identified one invoice that contained an amount for \$30,283.18 related to LTKS Temporary Pedestrian Crosswalk for which costs will be reimbursed to HART by the Hawaii Department of Transportation (HDOT). In addition, there were two invoices that contained amounts totaling \$113,588.90 for which HART may seek errors and omissions reimbursement from the responsible party. An invoice was adjusted for the entire amount earned and resulted in a negative certified amount because the amount retained was previously reimbursed to HART and certified in Q2 2025. These invoices were adjusted to reduce the amount reimbursed to HART - see items (C).

As of September 30, 2025, the balance in the Mass Transit Special Fund totaled \$114,096,265.79. As disclosed in the accompanying Schedule of Invoices, the amount certified by the Comptroller as of November 5, 2025, totaled \$114,096,257.90.

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.