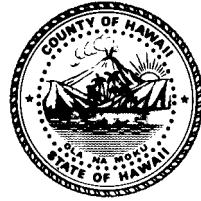


Aaron S.Y. Chung
Chair



James Y. Arakaki, *Member*
Leningrad Elarionoff, *Member*
Fred C. Holschuh, M.D., *Member*
Bob Jacobson, *Member*
Joe Reynolds, *Member*
Michael C. Tulang, *Member*
J. Curtis Tyler, III, *Member*

Gary Safarik
Vice Chair

**HAWAI'I COUNTY COUNCIL
COMMITTEE ON FINANCE
40th Session**

DATE: July 22, 2004 (Thursday)
PLACE: Councilroom
TIME: 10:00 a.m.

(Note: Please turn cell phones, pagers and other mobile communication devices on silent mode.)

CALL TO ORDER

STATEMENTS FROM THE PUBLIC ON ITEMS ON THE AGENDA

REFERRALS

Comm. 574: SINGLE AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2003
From Legislative Auditor Constance Kiriu, dated April 2, 2004, transmitting the above report, prepared by KPMG, LLP, as part of the Council's overall audit contract. The Single Audit Report is prepared for federally awarded programs to meet reporting and auditing requirements. A separate memorandum received on March 29, 2004 from Controller Deanna Sako submitting a "Summary Schedule of Prior Audit Findings" is included with the Single Audit Report.

Comm. 654: POST-AUDIT REPORT OF THE COUNTY OF HAWAI'I - FISCAL YEAR ENDED JUNE 30, 2003
From Legislative Auditor Constance Kiriu, dated June 15, 2004, submitting the post-audit *Financial Audit Report of the County of Hawai'i for the Fiscal Year ended June 30, 2003, and Management Letter dated March 19, 2004*, as prepared by KPMG LLP, which satisfies the requirement of §10-13 of the Hawai'i County Charter, relating to the responsibility of the County Council to conduct an annual independent audit of the accounts and other evidences of financial transactions of the County and of every county agency and executive agency. The *Management Letter* contains findings and recommendations related to Unauthorized User Access and Collection of Receivables.

- Comm. 8.33: TRANSFER OF FUNDS - JUNE 16 - 30, 2004
From Controller Deanna Sako, dated July 12, 2004, transmitting a Report of Transfers Authorized showing transfers made from June 16 through 30, 2004, and copies of the approved transfer forms.
- Comm. 678:
(Bill 290) AN ORDINANCE TO AMEND ORDINANCE NO. 04-74, AS AMENDED, THE OPERATING BUDGET FOR THE COUNTY OF HAWAI'I FOR THE FISCAL YEAR ENDING JUNE 30, 2005 (by appropriating \$5,000 into the Victims Services Coordinator project account and bringing the total grant appropriation to \$39,000)
From Finance Director William Takaba, dated June 30, 2004, transmitting the above bill. The State of Hawai'i Department of the Attorney General's Crime Prevention and Justice Assistance Division is providing an additional funding of \$5,000 to the Hawai'i County Police Department's Victims Services Coordinator project. Included in the program is the hiring of a Victims Services Coordinator to service the on-going needs of victims from domestic violence/sexual assault while cases remain under investigation and the purchasing of equipment and supplies.
- Comm. 683: TABULAR SUMMARY OF BONDED INDEBTEDNESS OF THE COUNTY OF HAWAI'I AS OF JUNE 30, 2004
From Finance Director William Takaba, dated July 9, 2004, transmitting the above document pursuant to Hawai'i Revised Statutes §47C. Concurrence to the tabular summary (with supporting schedules) of the Chairman of the Finance Committee and the Corporation Counsel are also attached.
- Comm. 689:
(Bill 296) AN ORDINANCE AMENDING ORDINANCE NO. 04-75, AS AMENDED, RELATING TO PUBLIC IMPROVEMENTS AND FINANCING THEREOF FOR THE FISCAL YEAR JULY 1, 2004 TO JUNE 30, 2005 (adds the Kilauea Corridor Traffic Signal Upgrade Project for \$500,000)
From Finance Director William Takaba, dated July 12, 2004, transmitting the above bill, which increases the federal funding of this existing project to \$2.1 million. This project consists of upgrading the signal systems at the intersections of Kilauea Avenue with Kawaihāni Street, Kawili Street, Mohouli Street, Aupuni Street and Kekūanaō'a Street; including asphalt paving; and constructing curb ramps, and concrete curb/gutter/sidewalks. This additional funding is being requested to cover anticipated construction bid amount, cost of construction engineering and possible future costs such as change orders due to unforeseen conditions.
- Comm. 690:
(Res. 210-04) RESOLUTION AUTHORIZING THE OFFICE OF THE MAYOR TO ENTER INTO AN AGREEMENT WITH THE STATE OF HAWAI'I DEPARTMENT OF HEALTH, PURSUANT TO HRS 46-7, FOR AN AUTOMATED EXTERNAL DEFIBRILLATOR ACCESS PROGRAM GRANT; and

(Note: Bill 297, also related to Comm. 690, continues on the next page.)

- (Bill 297) AN ORDINANCE TO AMEND ORDINANCE NO. 04-74, AS AMENDED, THE OPERATING BUDGET FOR THE COUNTY OF HAWAI‘I FOR THE FISCAL YEAR ENDING JUNE 30, 2005 (by appropriating a \$62,000 Automated External Defibrillator (AED) Access Program grant)
From Finance Director William Takaba, dated July 12, 2004, transmitting the above bill. The State of Hawai‘i Department of Health has authorized a \$62,000 grant towards the Hawai‘i County Fire Department's AED Access Program. These funds will be used to establish a community AED advisory committee; coordinate AED training with the American Heart Association; purchase 17 to 20 AED's for placement with identified agencies; and assist AED agencies with medical protocols.
- Comm. 691:
(Bill 298) AN ORDINANCE AMENDING ORDINANCE NO. 04-75, AS AMENDED, RELATING TO PUBLIC IMPROVEMENTS AND FINANCING THEREOF FOR THE FISCAL YEAR JULY 1, 2004 TO JUNE 30, 2005 (by adding \$6,000,000 in federal funding to the Capital Budget for the Kuakini Highway Improvements - Palani Road to Hualalai Road project)
From Finance Director William Takaba, dated July 12, 2004, transmitting the above bill, which increases the federal funding for this existing project to \$16.4 million. This projects includes widening of Kuakini Highway within the project limits, concrete curb/gutter/sidewalk, paving, drainage improvements, retaining walls, traffic signal improvements, and utility relocation. This additional appropriation is being requested to cover anticipated construction bid amount, cost of construction engineering/management, and possible future costs such as increase in utility costs and change orders due to unforeseen conditions.

UNFINISHED BUSINESS

- Comm. 647:
(Bill 280) AN ORDINANCE AMENDING THE HAWAI‘I COUNTY CODE 1983 (1995 EDITION) BY ADDING A NEW CHAPTER RELATING TO BUSINESS IMPROVEMENT DISTRICTS
From Council Vice Chair J. Curtis Tyler, III, dated June 2, 2004, transmitting the above bill, which enables the establishment and creation of Business Improvement Districts, which will provide an alternate method of financing supplemental services and improvements when public funds are not available.
- Comm. 647.1: From Mayor Harry Kim, dated June 13, 2004, in support of Bill 280.
- Comm. 647.2: From Bob Cochrane, Reel Things of Hawai‘i, LLC, and twenty-seven (27) other citizens and business owners in Kona, in support of Bill 280.

(Note: Comm. 647.3 continues on the next page.)

- Comm. 647.3: From Dr. Charles Aftoora and Robert Smith, dated June 9, 2004, in support of Bill 280.
- Comm. 647.4: From Rick Gaffney, President of Pacific Boats & Yachts, dated June 11, 2004, in support of Bill 280.
- Comm. 647.5: From Rick West, Executive Director of the Hawai'i Island Economic Development Board (HIEDB), dated June 11, 2004, in support of Bill 280.
- Comm. 647.6: From Teresa W. Leicher, dated June 9, 2004, in support of Bill 280.
- Comm. 647.7: Copy of letter to Deputy Corporation Counsel Bobby Jean Leithead-Todd from Legislative Auditor Constance R. Kiriu, dated July 7, 2004, requesting answers to three questions regarding Bill 280.

STATEMENTS FROM THE PUBLIC/ADJOURNMENT

The meeting place is accessible for persons with physical disabilities. Persons who need special accommodations to attend this meeting should call 961-8245 by **July 19, 2004**. Persons using TDDs may call 961-8521.

(Copies of this agenda and the communications are posted and filed at the County Clerk's Office, 25 Aupuni St., Hilo; the Office of the Mayor, 75-5706 Kuakini Highway, Suite 103, Kailua-Kona; and the Kona Councilmembers' Office, 77-6399 Nalani St., Suite 104, Kailua-Kona. For further information, please call 961-8245. Those wishing to testify, please register with the County Clerk's staff prior to the convening of the meeting. If possible, submit fifteen (15) written copies of the testimony to staff prior to the convening of the meeting.)

VIEWING OF MEETING ON GOVERNMENT ACCESS TELEVISION - Channel 52 (Hilo/Kona)
Planning Committee and Finance Committee - Tuesdays, July 27 and August 3, 2004, at 8:30 p.m.;
Parks and Environmental Management Committee - Thursdays, July 29 and August 5, 2004, at 8:30 p.m.; and all three Committee meetings - Sunday, August 8, 2004, at 10:30 a.m.