

Virginia Isbell
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Gary Safarik
Vice Chair



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Donald Ikeda, *Member*
Bob Jacobson, *Member*
K. Angel Pilago, *Member*

**HAWAI'I COUNTY COUNCIL
COMMITTEE ON FINANCE
44th Session**

DATE: October 17, 2006 (Tuesday)
PLACE: Councilroom (**new location**)
Ben Franklin Building
333 Kilauea Avenue, 2nd Floor
Hilo, Hawai'i
TIME: 9:00 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. 24.38: TRANSFER OF FUNDS - SEPTEMBER 1 - 15, 2006
From Controller Deanna Sako, dated September 27, 2006, transmitting two Reports of Transfers Authorized showing transfers made from September 1, 2006 through September 15, 2006. The first report shows transfers relating to the fiscal year ended June 30, 2006, and the second relates to the current fiscal year. Copies of the approved transfer forms are attached for reference.
- Comm. 24.39: TRANSFER OF FUNDS - SEPTEMBER 16 - 30, 2006
From Controller Deanna Sako, dated October 4, 2006, transmitting a Report of Transfers Authorized showing transfers made from September 16, 2006 through September 30, 2006. Copies of the approved transfer forms are attached for reference.

- Comm. 1078: DONATION OF \$500 TO THE DEPARTMENT OF PARKS AND RECREATION - AQUATICS DIVISION DONATED BY THE VOLCANO SCHOOL OF ARTS AND SCIENCE, MS. MARILYN HEISTAND AND GRADE 3
From Finance Director William Takaba, dated September 14, 2006, requesting the Council's approval of the above donation. The purchase of water polo equipment (two junior water polo goals and water polo balls) will be used by the Pāhala community children for water polo practice and competition at the Pāhala Pool.
- Comm. 1091: A RESOLUTION TRANSFERRING/APPROPRIATING AN APPROPRIATION (Res. 466-06) OUT AND FROM THE DESIGNATED FUND ACCOUNT(S) AND CREDITING SAME TO A DESIGNATED FUND ACCOUNT(S) (transfers \$3,000 from the Clerk-Council Services Contingency Relief Account and credits same to the Police Department's Administration Division, for the Hawaiian Paradise Park Neighborhood Watch Program)
From Councilmember Gary Safarik, dated September 18, 2006, transmitting the above resolution. These discretionary funds from Council District 5 will be used to provide lights, signs, and decals for the Hawaiian Paradise Park Neighborhood Watch Program.
- Comm. 1094: MEMORANDUM INFORMING THE COUNCIL THAT THE OFFICE OF THE COUNTY CLERK WILL BE REQUESTING THE DEPARTMENT OF FINANCE THROUGH ITS BUDGET DIVISION TO APPROPRIATE \$86,400 FROM THE FUND BALANCE BILL TO COVER KPMG LLC'S ADDITIONAL CONTRACT COST
From Audit Analyst Lane Shibata, dated September 26, 2006, submitting KPMG LLC's request for an increase of \$86,400 to Contract No. 000756 (conduct audits of the accounts and financial transactions of the County of Hawai'i), as there has been a significant change in the scope of KPMG LLC's services pertaining to the single audit of the County's financial assistance programs for fiscal year ended June 30, 2006.
- Comm. 1096: AN ORDINANCE AMENDING CHAPTER 19 OF THE HAWAI'I COUNTY (Bill 341) CODE 1983 (2005 EDITION) REAL PROPERTY TAXES, RELATING TO HOME EXEMPTIONS (by allowing homeowners to rent a portion of their home as a residential rental, and remain in the homeowner's class and retain their homeowner's exemption)
From Finance Director William Takaba, dated September 12, 2006, transmitting the above bill. The purpose of this measure is to assist in alleviating the shortage of available rental units. Currently, if a portion of a home is used for rental purposes, the property is automatically disqualified from the benefit of remaining in the homeowner's class and retaining their homeowner's exemption.

- Comm. 1098:
(Bill 343) AN ORDINANCE AMENDING ORDINANCE NO. 06-80, AS AMENDED, RELATING TO PUBLIC IMPROVEMENTS AND FINANCING THEREOF FOR THE FISCAL YEAR JULY 1, 2006 TO JUNE 30, 2007 (adds the Public Works, Traffic Signs and Markings for Road Safety Improvements Islandwide project for \$600,000)
From Finance Director William Takaba, dated September 26, 2006, transmitting the above bill. This project provides the funding for the new projects such as Safety Improvements Projects, redesign of existing roadway geometrics, and pavement resurfacing are requiring installation of new signage and thermoplastic reflective markings. This funding will come from the Highway Fund - Fund Balance and possibly from Councilmembers' discretionary funds to cover projects that are unanticipated at the time of budget preparation.
- Comm. 1099:
(Res. 470-06) RESOLUTION AUTHORIZING THE ACCEPTANCE OF A DONATION OF SIX (6) BUSES FOR THE COUNTY MASS TRANSIT AGENCY (donated by the City and County of Honolulu; estimated value of \$10,800)
From Finance Director William Takaba, dated September 26, 2006, requesting approval of the above donation. The six buses will allow the Mass Transit Agency to expand routes and provide public transportation for Hawai'i County.
- Comm. 1100:
(Res. 471-06) RESOLUTION AUTHORIZING THE OFFICE OF THE MAYOR TO ENTER INTO AN AGREEMENT WITH HONOKA'A ELEMENTARY SCHOOL, PURSUANT TO HRS 46-7, FOR THE IMPLEMENTATION OF THE PROMOTING ALTERNATIVE THINKING STRATEGIES (PATHS) CURRICULUM; and
- (Res. 472-06) RESOLUTION AUTHORIZING THE OFFICE OF THE MAYOR TO ENTER INTO AN AGREEMENT WITH WAIĀKEA ELEMENTARY SCHOOL, PURSUANT TO HRS 46-7, FOR THE IMPLEMENTATION OF THE PROMOTING ALTERNATIVE THINKING STRATEGIES (PATHS) CURRICULUM
From Finance Director William Takaba, dated September 26, 2006, transmitting the above resolutions. The Office of the Prosecuting Attorney has been awarded Title V Incentive Grants for Local Delinquency Prevention Program federal funding, through the State Office of Youth Services, for implementation of a community delinquency prevention program that addresses bullying prevention. Early and persistent anti-social behavior was identified as a priority risk factor in Hawai'i County. The program was offered to each school complex and Honokaa and Waiākea Elementary School have agreed to participate. The PATHS curriculum facilitates development of self-control, emotional awareness and interpersonal problem-solving skills and reduces aggression and behavior problems.

- Comm. 1103:
(Res. 473-06) RESOLUTION AUTHORIZING THE EXCHANGE OF INTERESTS IN REAL PROPERTIES, SITUATE IN WAIMEA, SOUTH KOHALA, COUNTY AND STATE OF HAWAI'I, COVERING TAX MAP KEY (3)6-5-003: PORS. 004, 002 AND 029, BETWEEN THE COUNTY OF HAWAI'I, GEORGE A. MAGOON, II, AND THE ROMAN CATHOLIC CHURCH OF THE STATE OF HAWAI'I, FOR THE CREATION OF THE WAIMEA TRAILS AND GREENWAYS (by moving the respective boundary lines for the County's Waimea Trails and Greenways Project)

From Deputy Corporation Counsel Diane A. Noda, dated September 26, 2006, transmitting the above resolution.
- Comm. 1108: DONATION OF THIRTY-TWO (32) CUBIC YARDS OF CINDER, INCLUDING DELIVERY TO THE DEPARTMENT OF PARKS AND RECREATION FOR THE BEAUTIFICATION OF KAHAKAI PARK IN HAWAIIAN BEACHES BY MR. SANFORD IWATA, SANFORD'S SERVICE CENTER, INC.; TOTAL ESTIMATED VALUE OF \$261.68

From Finance Director William Takaba, dated September 27, 2006, requesting the Council's approval of the above donation. The 32 cubic yards of cinder is to be used for the beautification of Kahakai Park in Hawaiian Beaches.
- Comm. 1109: DONATION OF STATE OF HAWAI'I FLAG TO THE OFFICE OF THE COUNTY CLERK - ELECTIONS DIVISION DONATED BY MS. GERALDINE EMBERNATE; ESTIMATED VALUE OF \$20.00

From County Clerk Constance R. Kiriū, dated October 3, 2006, requesting the Council's approval of the above donation. The State of Hawai'i flag is to be displayed together with the American flag in the Elections Office display window at the Prince Kuhio Mall.
- Comm. 1120
(Res. 484-06): RESOLUTION AUTHORIZING THE SALE OF TAX MAP KEY: (3)7-6-013:017 AS A REMNANT PARCEL (between Kailua-Keauhou Road and Kailua-Keauhou Middle Road at Holualoa, formerly intended for use by the Hawai'i County Fire Department)

From Finance Committee Chair Virginia Isbell, dated October 3, 2006, transmitting the above resolution. In 1973, the County constructed a new Kailua Fire Station on Palani Road and no longer has plans to utilize the parcel (TMK: (3)7-6-013:017).

- Comm. 1121:
(Res. 485-06) A RESOLUTION TRANSFERRING/APPROPRIATING AN APPROPRIATION OUT AND FROM THE DESIGNATED FUND ACCOUNT(S) AND CREDITING SAME TO A DESIGNATED FUND ACCOUNT(S) (transfers \$3,800 from the Clerk-Council Services Contingency Relief Account and credits same to the Department of Parks and Recreation, for the installation of a community mural at the Kohala Pool)
From Councilmember Pete Hoffmann, dated October 2, 2006, transmitting the above resolution. These District 9 Discretionary funds will be used to pay for the installation of a nine-foot by twelve-foot mural which was created by over 200 students at Pa‘auilo, Honoka‘a, Waimea, and Kohala Elementary Schools. The Department of Parks and Recreation has accepted the donation of this community mural and selected a suitable location at Kohala Pool to display the artwork.
- Comm. 1122:
(Res. 486-06) A RESOLUTION DECLARING THE INTENTION OF THE COUNTY OF HAWAI‘I TO ESTABLISH A COMMUNITY FACILITIES DISTRICT, DESIGNATED AS COMMUNITY FACILITIES DISTRICT NO. 1 - THE VILLAGES OF AINA LE‘A, TO AUTHORIZE FINANCING FOR PRESCRIBED SPECIAL IMPROVEMENTS, TO AUTHORIZE LEVY OF A SPECIAL TAX, AND TO AUTHORIZE ISSUANCE OF BONDS SECURED BY PROCEEDS OF THE SPECIAL TAX
From Finance Committee Chair Virginia Isbell, dated October 4, 2006, transmitting the above resolution.
- Comm. 1122.1: Petition requesting institution of procedure for establishment of district pursuant to the Community Facilities District Code (Chapter 32 of the Hawai‘i County Code)
- Comm. 1123:
(Res. 487-06) A RESOLUTION TO APPROVE THE DEVELOPMENT OF AN AUDIT SCHEDULE BASED ON A RISK ASSESSMENT ANALYSIS BY THE LEGISLATIVE AUDITOR’S OFFICE TO METHODICALLY CONDUCT AUDITS OF VARIOUS DEPARTMENTS AND ACTIVITIES OF THE COUNTY OF HAWAI‘I (provides a framework for the Legislative Auditor’s Office to help ensure timely and regularly scheduled audits on a rotational basis)
From Councilmember Virginia Isbell, dated October 4, 2006, transmitting the above resolution, pursuant to Rule 22 number 2 (d) which states “The Legislative Auditor shall, at the discretion of the Council, conduct performance and financial audits of the funds, programs and operations of any agency or operation of the County when requested by the resolution.
- Comm. 1124: AUDIT MANUAL FOR THE LEGISLATIVE AUDITOR’S OFFICE
From Audit Analysts Colleen Schrandt and Lane Shibata, dated October 4, 2006, transmitting a draft Audit Manual. The purpose of this manual is to obtain operational and product consistency by providing a written guide for conducting or overseeing performance and financial audits and attestation engagements.

ADJOURNMENT

The meeting place is accessible for persons with disabilities. Persons who need special accommodations to attend this meeting should call 961-8245 by *October 13, 2006*. Persons using TDDs may call 961-8521.

Copies of this agenda and items listed on the agenda available at the County Clerk's Office, **333 Kilauea Ave., Hilo**; the Office of the Mayor, 75-5706 Kuakini Highway, Suite 103, Kailua-Kona; the Kona Councilmembers' Office, Kailua Trade Center, 75-5706 Hanama Place, Suite 109, Kailua-Kona; and at the Waimea Council Members' Office at the Holomua Center, 64-1067 Māmalahoa Highway, Suite 5, Waimea, Hawai'i. For further information, please call 961-8245.

Videoconferencing is available at the following locations:

- Kona Council Office at the Kailua Trade Center; and
- Waimea Council Office at the Holomua Center.

If for technical reasons the video connection cannot be made and/or is disrupted, the scheduled meeting will continue.

Submitting Testimony: Those persons wishing to testify in person or by videoconference must register with the County Clerk's staff. Those testifying in person and submitting written testimony at the meeting in Hilo should bring seventeen (17) copies of the testimony for distribution at the meeting. Those testifying by videoconference from the Kona or Waimea Council Offices, should bring one copy of the testimony. Those persons unable to testify in person or by videoconference may submit testimony (1) by mail to the County Clerk's Office in Hilo at 25 Aupuni Street, Hilo, Hawai'i, 96720, (2) by facsimile to (808) 961-8912, or (3) by e-mail to counciltestimony@co.hawaii.hi.us.

Please submit a separate testimony for each item. Copies will be made and distributed at the meeting when transmitted in a timely manner. In any case, both oral and written testimony will be made a part of the public record.

Notice to Lobbyists: If you are a lobbyist, you must register with the Hawai'i County Clerk within five days of becoming a lobbyist {Article 15, Section 2-91.3(b), Hawai'i County Code}. A lobbyist means "any individual engaged for pay or other consideration who spends more than five hours in any month or \$275 in any six-month period for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials." {Article 15, Section 2-91.3(a)(6), Hawai'i County Code}. Registration forms and expenditure report documents are available at the Office of the County Clerk-Council, **333 Kilauea Ave., Hilo**, Hawai'i 96720.

VIEWING OF MEETINGS ON GOVERNMENT ACCESS TELEVISION - Channel 52 (Hilo/Kona) Finance, Environmental Management and Human Services and Economic Development Committee meetings - Tuesdays, October 24 and 31, 2006, at 8:30 p.m.; Public Safety and Parks and Recreation and Planning Committees - Thursdays, October 26 and November 2, 2006, at 8:30 p.m.; and all five Committee meetings - Sunday, November 5, 2006, at 10:30 a.m.

Published: Hawai'i Tribune Herald and West Hawai'i Today - October 12, 2006