

Dominic Yagong
Chair



Brenda Ford, *Member*
Stacy K. Higa, *Member*
Pete Hoffmann, *Member*
Donald Ikeda, *Member*
Emily I. Naeole, *Member*
K. Angel Pilago, *Member*
J Yoshimoto, *Member*

Bob Jacobson
Vice Chair

**HAWAI'I COUNTY COUNCIL
COMMITTEE ON FINANCE
5th Session**

DATE: February 21, 2007 (Wednesday)
PLACE: Sheraton Keauhou Bay Resort and Spa
78-128 Ehukai Street
Kailua-Kona, Hawai'i
TIME: 2:00 p.m.

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

CALL TO ORDER

STATEMENTS FROM THE PUBLIC ON COMM. 149

REFERRALS:

Comm. 149: **APPOINTMENT OF REIKO FORD TO THE COUNTY OF HAWAI'I TAX BOARD OF REVIEW**

From Mayor Harry Kim, dated February 1, 2007, submitting for confirmation the above nominations. Ms. Ford of Council District 7 is a six-year resident of Hawai'i and is a volunteer with VASH (Visitors Aloha Society of Hawai'i), and is a local tax aide coordinator for AARP (American Association of Retired Persons). From 1970 to 2000 she was employed by the Miami Valley Regional Planning Commission as an accountant. Not affiliated with any political party, if confirmed, she will serve a term to expire on December 31, 2011, replacing Mr. Michael B. Sumja, whose term expired on December 31, 2006.

Recommends the confirmation of Ms. Reiko Ford to the County of Hawai'i Tax Board of Review.

**Ayes: Committee Members Ford, Higa, Hoffmann,
Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.**
Noes: None.
Absent: None.

Serving the Interests of the People of Our Island

Hawai'i County is an Equal Opportunity Provider and Employer

STATEMENTS FROM THE PUBLIC ON ITEMS ON THE AGENDA**REFERRALS**

- Comm. 10.5: FINAL REPORT - COPS IN SCHOOL GRANT
Close file From Deputy Police Chief Harry S. Kubojiri, dated January 24, 2007, transmitting the above report pursuant to Ordinance No. 02-76.
- Ayes:** **Committee Members Ford, Higa, Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and Chair Yagong.**
- Noes:** **None.**
- Absent:** **Committee Member Hoffmann.**
- Comm. 10.6: FINAL REPORT - GANG PREVENTION - HILO GRANT
Close file From Police Chief, Lawrence K. Mahuna, dated January 11, 2007, transmitting the above report pursuant to Ordinance No. 05-86.
- Ayes:** **Committee Members Ford, Higa, Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and Chair Yagong.**
- Noes:** **None.**
- Absent:** **Committee Member Hoffmann.**
- Comm. 20.2: TRANSFER OF FUNDS - JANUARY 16 - 31, 2007
Close file From Controller Deanna Sako, dated February 6, 2007, transmitting a Report of Transfers Authorized showing transfers from January 16, 2007 through January 31, 2007. Copies of the approved transfer forms are attached for reference.
- Ayes:** **Committee Members Ford, Higa, Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and Chair Yagong.**
- Noes:** **None.**
- Absent:** **Committee Member Hoffmann.**

Comm. 142: A RESOLUTION TRANSFERRING/APPROPRIATING AN APPROPRIATION
(Res. 58-07) 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
Department of Liquor Control Public Programs, Miscellaneous Contract Services
account, for American Legion Kona Post 20 Womens' Auxiliary)
From Councilmember K. Angel Pilago, dated January 25, 2007, transmitting the
above resolution. These discretionary funds from Council District 8 will be used to
defray costs of hosting meetings, public announcements, educational materials, special
recognition presentations and transportation costs relating to veteran memorial
services in the Kona community.

Recommends adoption of Res. 58-07.

Ayes: Committee Members Ford, Higa, Ikeda,
Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.
Noes: None.
Absent: Committee Member Hoffmann.

Comm. 146: RESOLUTION AUTHORIZING THE ACCEPTANCE OF A DONATION OF
(Res. 59-07) THREE (3) BUSES FOR THE COUNTY MASS TRANSIT AGENCY (donated by
the City and County of Honolulu, estimated total value of \$5,715)
From Finance Director William Takaba, dated January 25, 2007, transmitting the
above resolution. The City and County of Honolulu has updated their fleet, and
therefore transferred three buses to Hawai'i County. These buses will allow the
Transit Agency to expand routes and provide public transportation for Hawai'i
County. All shipping charges will be paid by the County Transit Agency.

Recommends adoption of Res. 59-07.

Ayes: Committee Members Ford, Higa, Ikeda,
Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.
Noes: None.
Absent: Committee Member Hoffmann.

Comm. 148: RESOLUTION TO POSTPONE PENDING PUBLIC AUCTION OF HĀMĀKUA
(Res. 60-07) LANDS IN PA‘AUILO, TAX MAP KEYS (TMKS) (3) 4-3-07:01; 4-3-09:19;
4-3-09:24, 4-3-11:01 AND 4-3-11:02, TO ENABLE THE HAWAI‘I COUNTY
COUNCIL TO FORMULATE A PLAN OF LAND DISPOSITION TO HELP
ALLEVIATE THE AFFORDABLE HOUSING CRISIS ON HAWAI‘I ISLAND
From Finance Committee Chair Dominic Yagong, dated January 31, 2007,
transmitting the above resolution.

Recommends adoption of Res. 60-07.

Ayes: Committee Members Ford, Higa, Hoffmann,
Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.

Noes: None.

Absent: None.

Comm. 151: A RESOLUTION TRANSFERRING/APPROPRIATING AN APPROPRIATION
(Res. 61-07) OUT AND FROM THE DESIGNATED FUND ACCOUNT(S) AND CREDITING
SAME TO A DESIGNATED FUND ACCOUNT(S) (transfers \$21,000 from the
Clerk-Council Services, Contingency Relief account; and credits same to the
Department of Public Works, Transfer to Capital Project Fund-G for the new
streetlight installation islandwide, and the Melia Street Roundabout in Waikoloa)
From Councilmember Pete Hoffmann, dated January 30, 2007, transmitting the above
resolution which transfers discretionary funds from Council District 9.

Recommends adoption of Res. 61-07.

Ayes: Committee Members Ford, Higa, Hoffmann,
Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.

Noes: None.

Absent: None.

Comm. 158: A RESOLUTION TRANSFERRING/APPROPRIATING AN APPROPRIATION
(Res. 65-07) OUT AND FROM THE DESIGNATED FUND ACCOUNT(S) AND CREDITING
SAME TO A DESIGNATED FUND ACCOUNT(S) (transfers \$2,000 from the
Clerk-Council Services, Contingency Relief account, and credits same to the
Department of Liquor Control, Public Programs, Miscellaneous Contract Services
account, for the Kealakehe JROTC project)

From Councilmember K. Angel Pilago, dated January 25, 2007, transmitting the above resolution. These discretionary funds from Council District 8, in combination with funds provided by the United States Army, will be used to fund transportation costs for 70 Hawai'i Island cadets in the Junior Reserve Officers' Training Corps (JROTC) to participate in the 2007 Statewide Spring Camp at Scholfield Barracks on O'ahu and the Summer Leadership Training in Hilo.

Recommends adoption of Res. 65-07.

Ayes: Committee Members Ford, Higa, Hoffmann,
Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.

Noes: None.

Absent: None.

Comm. 159: A RESOLUTION TRANSFERRING/APPROPRIATING AN APPROPRIATION
(Res. 66-07) OUT AND FROM THE DESIGNATED FUND ACCOUNT(S) AND CREDITING
SAME TO A DESIGNATED FUND ACCOUNT(S) (transfers \$2,000 from the
Clerk-Council Services, Contingency Relief account, and credits same to the
Department of Liquor Control, Public Programs, Miscellaneous Contract Services
account, for the Kealakehe JROTC project)

From Councilmember Brenda Ford, dated January 24, 2007, transmitting the above resolution. These discretionary funds from Council District 7, in combination with funds provided by the United States Army, will be used to fund transportation costs for 70 Hawai'i Island cadets in the Junior Reserve Officers' Training Corps (JROTC) to participate in the 2007 Statewide Spring Camp at Scholfield Barracks on O'ahu and the Summer Leadership Training in Hilo.

Recommends adoption of Res. 66-07.

Ayes: Committee Members Ford, Higa, Hoffmann,
Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.

Noes: None.

Absent: None.

Comm. 167: A RESOLUTION TRANSFERRING/APPROPRIATING AN APPROPRIATION
(Res. 72-07) OUT AND FROM THE DESIGNATED FUND ACCOUNT(S) AND CREDITING
SAME TO A DESIGNATED FUND ACCOUNT(S) (transfers \$6,000 from the Clerk
Council Services Contingency Relief account; and credits same to the Department of
Liquor Control Public Programs, Miscellaneous Contract Services account, for the
Kealakehe Project Grad program)
From Councilmember K. Angel Pilago, dated February 5, 2007, transmitting the
above resolution. These discretionary funds from Council District 8 will be used to
help defray the cost of providing drug and alcohol-free graduation activities for the
Kealakehe High School seniors.

Recommends adoption of Res. 72-07.

Ayes: Committee Members Ford, Higa, Hoffmann,
Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.
Noes: None.
Absent: None.

Comm. 168: A RESOLUTION TRANSFERRING/APPROPRIATING AN APPROPRIATION
(Res. 73-07) OUT AND FROM THE DESIGNATED FUND ACCOUNT(S) AND CREDITING
SAME TO A DESIGNATED FUND ACCOUNT(S) {transfers \$20,000 from the East
Hawai'i Coalition - Emergency account, and credits the same to the OSM (Office of
Social Ministry) - Kihei Pua Emergency Shelter account}
From Finance Director William Takaba, dated February 5, 2007, transmitting the
above resolution. Late last year, the County of Hawai'i had been notified that the East
Hawai'i Coalition for the Homeless (EHCH) was unable to administer their Kihei Pua
Emergency Shelter program in South Hilo, funded, in part, by a County grant. This
resolution transfers the remaining grant balance of \$20,000 to the Office of Social
Ministry who will administer the program. Attaches a copy of the grant application
from the Office of Social Ministry. The Kihei Pua Emergency Shelter program
provides a 24 hour emergency shelter that serves families and individuals and
provides participants opportunities to become self-sufficient and prepares them to
secure and maintain permanent housing.

Recommends adoption of Res. 73-07.

Ayes: Committee Members Ford, Higa, Hoffmann,
Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.
Noes: None.
Absent: None.

Comm. 169: AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF
(Bill 45) HAWAI'I TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT
FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN
FOR WASTEWATER PUBLIC IMPROVEMENT PROJECTS; AND
AUTHORIZING THE ISSUANCE OF \$6,747,000 GENERAL OBLIGATION
BONDS OF THE COUNTY OF HAWAI'I FOR THE PURPOSE OF FINANCING
QUALIFIED WASTEWATER PUBLIC IMPROVEMENTS OF THE COUNTY OF
HAWAI'I; and

Recommends passage of Bill 45 on first reading.

**Ayes: Committee Members Ford, Higa, Ikeda,
Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.**

Noes: None.

Absent: Committee Member Hoffmann.

(Bill 46) 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 following
Environmental Management projects: North Kona Sewer - County for \$466,000; and
North Kona Sewer - SRF (State Water Pollution Control Revolving Fund) for
\$3,104,000}; and

Recommends passage of Bill 46 on first reading.

**Ayes: Committee Members Ford, Higa, Ikeda,
Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.**

Noes: None.

Absent: Committee Member Hoffmann.

(Note: Bill 47, also related to Comm. 169, continues on the next page.)

(Bill 47)

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 following Environmental Management projects: North Kona Effluent Reuse Upgrade - County for \$546,000; and North Kona Effluent Reuse Upgrade - SRF for \$3,643,000) From Finance Director William Takaba, dated February 5, 2007, transmitting the above bills pursuant to the County Procedures Manual for Participation in the Hawai'i State Revolving Fund Loan Program, prepared by the Wastewater Branch of the Hawai'i Department of Health in April 1994. Based on a decision by a private developer to pursue alternative methods for Wastewater Disposal and Irrigation Water for their project in lieu of partnering with the County on the infrastructure on the Queen Ka'ahumanu Highway, the installation of a sewer and a reuse water infrastructure in North Kona are necessary. The sewer infrastructure is required to allow planned development of the North Kona area while the installation of the reuse water infrastructure is required to allow future use of treated wastewater from the Kealakehe Wastewater Treatment Plant for irrigation in lieu of current disposal into a seepage pit. Design and construction of the infrastructure will be performed under the Department of Transportation - Highway Division's Queen Ka'ahumanu Widening Project - Phase II, which extends from Honokohau Harbor to Keahole Airport.

Recommends passage of Bill 47 on first reading.

Ayes: Committee Members Ford, Higa, Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and Chair Yagong.

Noes: None.

Absent: Committee Member Hoffmann.

Comm. 170: AN ORDINANCE AMENDING ORDINANCE NO. 06-80, AS AMENDED,
(Bill 48) RELATING TO PUBLIC IMPROVEMENTS AND FINANCING THEREOF FOR
THE FISCAL YEAR JULY 1, 2006 TO JUNE 30, 2007 (by appropriating an additional
\$600,000 to the Environmental Management, Honoka'a Large Capacity Cesspool
Replacement Project)

From Finance Director William Takaba, dated February 5, 2007, transmitting the above bill. This project involves the design and installation of new sewer mains and a new Wastewater Treatment Plant in order to meet Environmental Protection Agency requirements to eliminate large capacity cesspools. This bill increases the Fiscal Year 2006-2007 appropriation from \$600,000 to \$1,200,000 and brings the total appropriations for the design costs on this project to \$1,800,000. The increase in costs are due to the additional complexity involved in the design of a Wastewater Treatment and will include property surveying, installation of roadway access, as well as utility infrastructure (water, electricity, telephone).

Recommends passage of Bill 48 on first reading.

**Ayes: Committee Members Ford, Higa, Hoffmann,
Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.**

Noes: None.

Absent: None.

Comm. 171: AN ORDINANCE AMENDING ORDINANCE NO. 06-80, AS AMENDED,
(Bill 49) RELATING TO PUBLIC IMPROVEMENTS AND FINANCING THEREOF FOR
THE FISCAL YEAR JULY 1, 2006 TO JUNE 30, 2007 (adds the Environmental
Management, Kealakehe Wastewater Treatment Plant Aeration Upgrade Project for
\$300,000)

From Finance Director William Takaba, dated February 5, 2007, transmitting the above bill. This upgrade is required to accommodate the planned growth in the Kona area.

Recommends passage of Bill 49 on first reading.

**Ayes: Committee Members Ford, Higa, Hoffmann,
Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.**

Noes: None.

Absent: None.

Comm. 172: RESOLUTION RELATING TO A COUNCIL INITIATED IMPROVEMENT
(Res. 74-07) DISTRICT TO FACILITATE CONSTRUCTION OF PERMANENT
IMPROVEMENTS TO THE KAUMANA CITY SUBDIVISION, AT PONAHAHAWAI,
SOUTH HILO, HAWAI'I, INCLUDING IMPROVEMENT OF THE WATER
DISTRIBUTION SYSTEM TO COUNTY STANDARDS, IN ACCORDANCE WITH
CHAPTER 12 OF THE HAWAI'I COUNTY CODE 1983 (2005 EDITION, AS
AMENDED) RELATING TO IMPROVEMENTS BY ASSESSMENTS
From Councilmember Donald Ikeda, dated February 1, 2007, transmitting the above
resolution.

Postponed to the Finance Committee meeting scheduled for March 20, 2007.

**Ayes: Committee Members Ford, Higa, Hoffmann,
Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.**
Noes: None.
Absent: None.

Comm. 173: REPORT ON GENERAL OBLIGATION BONDS 2007 SERIES A, B & C
Close file From Finance Director William Takaba, dated February 8, 2007, transmitting a report
relating to the sale and issuance of \$122,360,000 County of Hawai'i, General Obligation
Bonds 2007 Series A, B and C.

**Ayes: Committee Members Ford, Higa, Hoffmann,
Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and
Chair Yagong.**
Noes: None.
Absent: None.

Comm. 177: RESOLUTION CREATING A DEPARTMENTAL PERSONNEL CLERK POSITION
(Res. 75-07) FOR THE DEPARTMENT OF FINANCE (to provide backup for the Personnel Assistant II, in the Administration Office due to the new Vehicle Registration and Licensing Division being created)

From Finance Director William Takaba, dated February 8, 2007, transmitting the above resolution. It is anticipated that in early FY 2007-08, a new Vehicle Registration and Licensing Division will be created from a merger and transfer of positions from the Treasury Division's Motor Vehicle Registration Branch and the Police Department's Licensing and PMVI Divisions. As a result, the total staff count will increase by an additional 23 employees, bringing it up to 125 positions. The increasing complexity and volume of personnel functions, as well as the number of employees, necessitates adding a Departmental Personnel Clerk to assist with the duties of the Personnel Assistant II, who must handle all personnel related functions and all timesheet review and submittal, and serve as backup for the Executive Secretary.

Recommends adoption of Res. 75-07.

Ayes: Committee Members Ford, Higa, Hoffmann, Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and Chair Yagong.

Noes: None.

Absent: None.

Comm. 183: AN ORDINANCE PROVIDING FOR THE ESTABLISHMENT OF THE KAILUA
(Bill 55) VILLAGE BUSINESS IMPROVEMENT DISTRICT NO. 1 (to provide for and finance supplemental services and improvements in Kailua Village, pursuant to Hawai'i County Code, Chapter 35, Article 2, Section 35-11)

From Councilmember K. Angel Pilago, dated January 24, 2007, transmitting the above resolution.

Postponed to the Finance Committee meeting scheduled for March 8, 2007.

Ayes: Committee Members Ford, Higa, Hoffmann, Ikeda, Jacobson, Naeole, Pilago, Yoshimoto and Chair Yagong.

Noes: None.

Absent: None.

ADJOURNMENT

The meeting place is accessible for persons with disabilities. Persons who need special accommodations to attend this meeting should call 961-8245 by **February 16, 2007**. Persons using TDDs may call 961-8521.

Copies of this agenda and items listed on the agenda are 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 may be available for this meeting. Please call 961-8245 after Thursday, February 15, 2007, to inquire.

Submitting Testimony: Those persons wishing to testify in person must register with the County Clerk's staff. Those testifying and submitting written testimony should bring seventeen (17) copies of the testimony for distribution at the meeting. Those persons unable to testify in person may submit testimony (1) by mail to the County Clerk's Office in Hilo at the above address, (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.** For testimony submitted via e-mail or fax, 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., 2nd Floor, Hilo, Hawai'i 96720.

Viewing of Meetings on Government Access Television - Channel 52:

Public Works & Intergovernmental Relations and Planning Committee meetings - Tuesdays, February 27 & March 6, 2007, at 8:30 p.m.; Finance, Human Services & Economic Development, Environmental Management and Public Safety & Parks and Recreation Committee meetings- Thursdays, March 1 & 8, 2007, at 8:30 p.m.; and all six Committee meetings - Sunday, March 11, 2007, at 10:30 a.m.

