

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
10th Session**

DATE: April 17, 2007 (Tuesday)
PLACE: Councilroom
Ben Franklin Building
333 Kilauea Avenue, 2nd Floor
Hilo, Hawai'i
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 COMM. 285 AND COMM. 286

REFERRALS

Comm. 285: **APPOINTMENT OF KIM R. GARCIA TO THE COUNTY OF HAWAI'I PUBLIC ACCESS, OPEN SPACE AND NATURAL RESOURCES PRESERVATION COMMISSION**

From Mayor Harry Kim, dated March 23, 2007, submitting for confirmation the above nomination. Ms. Garcia of Council District 7 is a 37-year resident of Hawai'i and is self-employed as an independent paper carrier for West Hawai'i Today, is an active scuba diver and paddler, and has volunteered extensively in the community. Not affiliated with any political party, if confirmed, she will serve a term to expire on December 31, 2009, replacing Jocelyn Garovoy, who resigned.

Recommends the confirmation of Ms. Kim R. Garcia to the County of Hawai'i Public Access, Open Space and Natural Resources Preservation Commission.

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

Comm. 286: APPOINTMENT OF MARGARITA IGNACIO TO THE COUNTY OF HAWAI'I SALARY COMMISSION
 From Mayor Harry Kim, dated March 23, 2007, submitting for confirmation the above nomination. Ms. Ignacio of Council District 5 is a 36-year resident of Hawai'i and is a member of the HGEA Education and Training Committee and Waiakeawaena Elementary School's PTA. From 1987, she has been employed by the Department of Labor and Industrial Relations as a Workforce Development Specialist. Not affiliated with any political party, if confirmed, she will serve a term to expire on December 31, 2008. This was a vacant position.
Recommends the confirmation of Ms. Margarita Ignacio to the County of Hawai'i Salary Commission.

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

STATEMENTS FROM THE PUBLIC ON ITEMS ON THE AGENDA

REFERRALS

Comm. 20.6: TRANSFER OF FUNDS - MARCH 16 - 31, 2007
Close file From Deanna Sako, Controller, dated April 4, 2007, transmitting a Report of Transfers Authorized showing transfers from March 16, 2007 through March 31, 2007. Copies of the approved transfer forms are attached for reference.

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

Comm. 284: RESOLUTION CREATING AN ELECTION CLERK II POSITION FOR THE OFFICE OF THE COUNTY CLERK-ELECTIONS DIVISION
 (Res. 129-07) From County Clerk Casey Jarman, dated March 23, 2007, transmitting the above resolution. Funding for the new position is available in the Election's Division Regular Salaries and Wages account.
Recommends adoption of Res. 129-07.

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

Comm. 148.3: REPORT OF HAMAKUA LANDS AD HOC COMMITTEE
Close file From Councilmember Dominic Yagong, dated April 5, 2007, transmitting the above report, pursuant to Res. 60-07.

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

Noes: **None.**

Absent: **None.**

Comm. 301: QUARTERLY REALLOCATION REPORT - THIRD QUARTER, JANUARY THROUGH MARCH, 2007
Close file From Deputy Director of Human Resources Ronald K. Takahashi, dated April 4, 2007, transmitting a report of reallocation actions taken on the positions covered by Civil Service classification and pay laws for the third quarter (January through March 2007) of the 2006-2007 fiscal year.

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

Noes: **None.**

Absent: **None.**

Comm. 303: SECOND QUARTER REPORT - CLAIMS/CASES (JANUARY - MARCH 2007) FY 2006-07
Close file

From Deputy Corporation Counsel Joseph K. Kamelamela, dated April 4, 2007, transmitting the above report, pursuant to Section 2-9, Hawai'i County Code.

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

Noes: **None.**

Absent: **None.**

Comm. 305: AN ORDINANCE ADOPTING A PAY PLAN FOR PERSONS EMPLOYED BY
(Bill 81) THE COUNTY OTHER THAN THOSE WHOSE PAY IS OTHERWISE PROVIDED FOR, DESIGNATING PAYROLL PERIODS, PAY DAYS, PRESCRIBING REQUIREMENTS WITH RESPECT TO OFFICIAL FIDELITY BONDS, AND REPEALING ORDINANCE NO. 06-83 AND ALL AMENDMENTS THERETO, SAID ORDINANCE TO BE KNOWN AS THE SALARY ORDINANCE OF 2007 (amends the Salary Ordinance by adding classes of work for the Office of Housing and Community Development)

From Finance Director William Takaba, dated April 2, 2007, transmitting the above bill, to be known as the Salary Ordinance of 2007. Additions for the following classes of work include: 1) Special Projects Coordinator, SR-20 (B.U. 13); 2) Special Projects Coordinator I, SR-18 (B.U. 13); and the subsequent renumbering of the items in Section 7.02(b) Office of Housing and Community Development's Office of Management.

Recommends passage of Bill 81 on first reading as amended to Draft 2.

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

Noes: None.

Absent: None.

Comm. 308: RESOLUTION AUTHORIZING THE PAYMENT OF FUNDS OF A LATER
(Res. 139) FISCAL YEAR AND OF MORE THAN ONE FISCAL YEAR FOR A MULTI-YEAR LEASE OF TWO COPIERS FOR THE OFFICE OF THE COUNTY CLERK AND LEGISLATIVE AUDITOR'S OFFICE

From Casey Jarman, dated April 2, 2007, transmitting the above resolution.

Recommends adoption of Res. 139.

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

Noes: None.

Absent: None.

UNFINISHED BUSINESS

Comm. 193: **AN ORDINANCE TO ESTABLISH AN OPERATING BUDGET FOR THE COUNTY OF HAWAI'I FOR THE FISCAL YEAR JULY 1, 2007 TO JUNE 30, 2008**
(Bill 60)
From Mayor Harry Kim, dated March 1, 2007, transmitting for consideration the proposed Operating Budget for the County of Hawai'i for the Fiscal Year July 1, 2007 to June 30, 2008. This balanced budget includes estimated revenues and appropriations of \$359,100,000 and includes the operations of eleven of the County's special funds as well as the general fund. This budget is 9.9 percent more than the current year's budget. It reflects a 15 percent increase in real property tax revenues due to an increase in property values. There were no changes in the property tax rates. The Mayor's budget message discusses several major expenditures proposed as well as Service Highlights. Attaches informational tables comparing 1) budgeted expenditures for FY 2006-07 and proposed for FY 2007-08 for each fund; 2) a summary of projected FY 2007-08 revenues from various sources and the change in those from the current budget; and 3) a summary of projected FY 2007-08 expenditures and the change in those from the current budget. Also lists significant changes to operating expenditures in several categories.

Recommends passage of Bill 60 on first reading.

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

Noes: None.

Absent: None.

Comm. 193.1: From Finance Director William Takaba, dated March 1, 2007, transmitting a booklet containing the reports entitled *Six Month Progress Report on Program Objectives for FY 2006-07* and *Final Status Report on Program Objectives for FY 2005-06*. These reports provide information to the Council so they may evaluate the program accomplishments for the first six months of the current fiscal year and for the last fiscal year, 2005-06.

Close file

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

Noes: None.

Absent: None.

Comm. From Jim Stutheit, dated March 29, 2007.

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

Comm. 194: AN ORDINANCE RELATING TO PUBLIC IMPROVEMENTS AND FINANCING
 (Bill 61) THEREOF FOR THE FISCAL YEAR JULY 1, 2007 TO JUNE 30, 2008 (the Capital
Improvement Projects Budget for Fiscal Year 2007-2008)

From Mayor Harry Kim, dated March 1, 2007, transmitting for consideration the proposed Capital Budget (CIP) for FY 2007-08, and the Capital Program for the next six years from Fiscal Year 2007-08 to 2012-13, consisting of 85 projects requiring a total appropriation of \$140,575,000, of which \$80,000 is Federal Grants Receivable and \$22,334,000 is County financed through State Revolving Fund (SRF) loans. The Mayor's message discusses Debt Service, Project Selection Criteria, Funding Sources, Pending vs. New Projects, Geographic Distribution of Projects and the Impact on Operational Budget. Attaches six informational tables entitled, Table 1, List of Projects and Proposed Funding Sources; Table 2, Selection Criteria-; Table 3, Existing v. New v. Replacement Facility-; Table 4, Functional Classification; Table 5, Geographic Distribution; and Table 6, 6-year Capital Program FY 07-08 to 2012-13.

Recommends passage of Bill 61 on first reading.

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

Comm. 292: RESOLUTION TO MODIFY THE SPECIAL FUEL TAX PROGRAM
 (Res. 107-05) (exempts the present County fuel tax of \$.022 per gallon for biodiesel)

(2004-2006) From Councilmember Bob Jacobson, dated May 18, 2005, transmitting the above resolution.

Close file

Recommends close file on Res. 107-05 (replaced with Res. 109-07)

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

Comm. 261: RESOLUTION TO MODIFY THE SPECIAL FUEL TAX PROGRAM
 (Res. 109-07) (exempts the present County fuel tax of \$.022 per gallon for biodiesel)
 From Councilmember Bob Jacobson, dated May 19, 2007, transmitting the above resolution at the request of Barbara Bell, Director of Environmental Management.

Recommends adoption of Res. 109-07.

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

Noes: None.

Absent: None.

Comm. 261.1: From Environmental Management Commission Chair Marjorie Erway, Director of
Close file Environmental Management Barbara Bell and Mayor Harry Kim, dated December 28, 2006.

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

Noes: None.

Absent: None.

Comm. 261.2 From Director of Environmental Management Barbara Bell, dated April 5, 2007,
Close file transmitting informal brochure developed by the County Solid Waste Division a few years ago, using funds from the State Department of Business, Economic Development and Tourism grant.

**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 **April 12, 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 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 or other unanticipated circumstances 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.** For testimonies received 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., Hilo, Hawai'i 96720.

Viewing of meetings on government access television - Channel 52:

Public Works & Intergovernmental Relations, Finance, Public Safety & Parks and Recreation and Environmental Management Committee meetings - Tuesday, April 24 & May 1, 2007, at 8:30 p.m.; Planning and Human Services & Economic Development Committee meetings - Thursdays, April 26 & May 3, 2007, at 8:30 p.m.; and all six Committee meetings - Sunday, May 6, 2007, at 10:30 a.m.