

Hawaii State Association of Counties

Counties of Kauai, Maui and Hawaii, City & County of Honolulu



MINUTES
HSAC EXECUTIVE COMMITTEE MEETING
December 23, 2011
Honolulu Hale, Council Committee Room
Honolulu, Hawaii

I. CALL TO ORDER

The HSAC Executive Committee was called to order by President Mel Rapozo at 10:17 a.m. The following members comprised a quorum:

County of Kauai: President Mel Rapozo

County of Hawaii: Vice President Angel Pilago

City and County of Honolulu: Alternate Ikaika Anderson

County of Maui: Treasurer Joseph Pontanilla

Others Present: Maui Councilmember G. Riki Hokama
Honolulu staff Gavin Kennedy
Honolulu staff Kekoa McClellan
Honolulu staff Mark Segami
Maui staff Kirstin Hamman
Kauai staff Ashley Bunda

II. APPROVAL OF AGENDA

The Committee approved the agenda.

III. MINUTES

The Committee approved the minutes of the November 3, 2011, Executive Committee meeting.

IV. REPORTS

A. Treasurer's Report



Vice President Pilago made a motion seconded by Treasurer Pontanilla to approve the Treasurer's Reports of October and November 2011. The motion was approved.

B. County Reports

1. Maui County Report. None.
2. Hawaii County Report. Vice President Pilago reported that the Hawaii County Council has approved the fire code and is working on redistricting. He also passed on greetings from Hawaii County Council Chair Yagong.
3. City and County of Honolulu Report. Alternate Anderson informed members that Secretary Chang had provided President Rapozo with a communication clarifying reimbursement restrictions for HSAC travel. He noted that HSAC alternates are not provided travel reimbursement and stated that amending the bylaws may be needed in the future. Alternate Anderson also informed members that HSAC documentation would be available electronically on the Honolulu Clerk's docushare website.
4. Kauai County Report. President Rapozo reported that the Council passed a real property tax reform bill proposed by the Administration aimed at bringing equity to the real property tax system. He also informed members that Kauai County anticipates a \$50 million surplus in the coming fiscal year.

C. NACo Report

Treasurer Pontanilla informed members that NACo is working on strategies to promote NACo among the local constituents and inform citizens of the work that NACo provides on the behalf of local governments.

Maui Councilmember Riki Hokama reported that in preparation for the election of the NACo second vice president in 2012 various state associations are working on Hawaii's behalf in soliciting support for Hawaii as the next NACo second vice president. He stated that if enough state associations choose to support Hawaii in advance of the NACo Annual Conference the election for second vice president may be uncontested. President Rapozo stated that once Mr. Hokama is officially declared a candidate for NACo second vice president HSAC would put out a press release stating its strong support for him. Members agreed to pursue ways

to support Councilmember Hokama as a candidate for second vice president.

V. UNFINISHED BUSINESS

A. Discussion and approval of 2012 HSAC Annual Meeting dates.

Treasurer Pontanilla made a motion seconded by Vice President Pilago to approve the 2012 HSAC Annual Meeting for June 21-22, 2012. The motion was approved.

VI. NEW BUSINESS

A. Communications

The following items were received and filed:

1. Communication dated November 8, 2011, from Honolulu City Clerk Bernice K.N. Mau, transmitting to the HSAC Executive Committee a list of items approved by the Honolulu City Council for the 2012 HSAC legislative package.
2. Communication dated December 6, 2011, from Kauai Council Chair Furfaro, informing the HSAC Executive Committee of the actions taken regarding proposals to be included in the 2012 HSAC legislative package.
3. Communication dated December 8, 2011, from Hawaii County Council Chair Yagong, of the actions taken regarding proposals to be included in the 2012 HSAC legislative package.

B. Discussion and approval of the Final Draft of the HSAC Legislative Package

The following items were determined to have been approved by all four county councils and were approved by the Executive Committee to be included in the Final Draft of the 2012 HSAC Legislative Package:

1. Bill for an Act Relating to Traffic Infractions
(Provides the Counties with a percentage of fines for uncontested traffic infractions)
2. Bill for an Act Relating to Housing
(Increases the time for review of affordable housing projects submitted pursuant to Section 201H-38, HRS)

3. Bill for an Act Relating to the Employees' Retirement System
(Provides the Counties with representation on the Board of the ERS)
4. Bill for an Act Relating to the Employer-Union Health Benefits Trust Fund
(Provides the Counties with representation on the Board of the EUTF)
5. Bill for an Act Relating to Liability
(Provides the Counties with liability protection for natural conditions on or near public beach parks)
6. Resolution urging the Governor and the Legislature of the State of Hawaii to preserve the Counties' share of the Transient Accommodations Tax

C. Discussion and approval of HSAC resolutions

Vice President Pilago made a motion seconded by Alternate Anderson to approve the following HSAC resolutions:

1. Resolution requesting the State Legislature to adopt House Bill 1521 amending Chapter 339D, HRS, regarding electronic waste recycling.
2. Resolution requesting that the State Department of Health amend HAR Title 11, Chapter 62, to establish up to a ten year exemption period to connect to a sewer system after installation of an individual wastewater system.

D. Approval of \$2,500 in seed money to Hawaii County Council to establish a checking account for the 2012 HSAC Annual Conference.

Vice President Pilago made a motion seconded by Alternate Anderson to approve a \$2,500 advance from HSAC to the Hawaii County Council for the 2012 HSAC Annual Conference.

President Rapozo called for a recess at 11:07 a.m.

President Rapozo reconvened the meeting at 11:20 a.m.

E. Discussion regarding the hiring of an HSAC Executive Director, modification of membership structure, and corporate sponsorships.

Honolulu staff member Kekoa McClellan made a presentation to the Executive Committee examining the advantages and disadvantages of hiring an Executive Director for HSAC. He stated that the members would

not be presented with a proposal to take action on at the current meeting. Central to the presentation was the fact that HSAC currently has no official staff; HSAC work is done by the various councils often taking away from other duties of staff members. An Executive Director would provide institutional knowledge and experience crucial to increasing the effectiveness and functions of HSAC, including maintaining continuity when member counties change positions and duties.

Mr. McClellan proceeded to explain the advantage of opening membership in HSAC to corporations, which would allow HSAC to increase revenues. He pointed out that such a change to HSAC membership would be most beneficial in conjunction with an Executive Director as council staff may be restricted from certain interactions with private entities, including solicitation of funds.

Mr. McClellan explained that the duties of an HSAC Executive Director would include lobbying the State and Federal governments, managing the organization, working well with all four counties, and fundraising. He stated that a possible salary would be between \$36,000 and \$48,000 and that after all other costs are included, the position would cost HSAC between \$63,000 and \$87,000 per year. Mr. McClellan stated that at such a cost the Executive Director would need to find ways to raise revenue in order for HSAC to afford the position without raising dues to member counties.

Honolulu staff member Mark Segami explained some of the means by which HSAC could raise revenue other than dues charged to the county councils. Corporate memberships may be an option and are used in other state associations. In return for membership the organization must provide a benefit such as directories of government officials, reduced fees for conference attendance, and providing advertising space in HSAC publications. Another means of revenue generation is the U.S. Communities purchasing program which provides a percentage of all proceeds of purchases by a member county to the state association. Mr. Segami and Mr. McClellan agreed that there are many other opportunities for revenue generation and that these opportunities could be most easily pursued under the direction of an Executive Director.

President Rapozo called for a recess at 11:39 a.m.

President Rapozo reconvened the meeting at 11:44 a.m.

Mr. Segami concluded by stating that by pursuing revenue generating opportunities in conjunction with hiring an Executive Director HSAC would be able to address some of its current problems in continuity and effectiveness.

Vice President Pilago thanked Mr. McClellan and Mr. Segami for their research and presentation. He stated that he had believed that the main focus of an Executive Director should be serving the Executive Committee and lobbying the State Legislature, in addition to increasing the political credibility of the organization.

Treasurer Pontanilla stated his appreciation for the briefing and said he would examine the proposal further and share it with members of his council.

President Rapozo also thanked Mr. McClellan and Mr. Segami for their presentation. He added that if HSAC proceeds with hiring an Executive Director the bylaws would need to be amended and a job description would need to be approved in order to delineate the duties and responsibilities of the position. He clarified that any such person would serve at the will of the Executive Committee of HSAC. He also noted that HSAC has enough reserve funds to hire someone for the position in the first year and not increase dues on member counties. President Rapozo also raised concerns about perceived conflicts of interest in cases of corporate membership of HSAC.

The item was deferred.

VII. ANNOUNCEMENTS

A. Schedule next meeting.

The Executive Committee meeting was scheduled for January 13, 2012 at Honolulu Hale.

B. Other Announcements

None.

VIII. ADJOURNMENT

There being no further business, the meeting was adjourned at 12:14 p.m.

Very truly yours,



STANLEY CHANG

Secretary

Hawaii State Association of Counties