

# Hawaii State Association of Counties

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



MINUTES  
HSAC EXECUTIVE COMMITTEE MEETING  
May 25, 2012  
Honolulu Hale, Committee Meeting Room  
Honolulu, Hawaii

I. CALL TO ORDER

The HSAC Executive Committee was called to order by President Mel Rapozo at 10:15 a.m. The following members comprised a quorum:

County of Kauai:	President Mel Rapozo
County of Hawaii:	Alternate Brittany Smart
City and County of Honolulu:	Secretary Stanley Chang
County of Maui:	Treasurer Joseph Pontanilla
Others Present:	Maui Councilmember Riki Hokama Honolulu staff Kimberly Ribellia Honolulu staff Denisse Gee Kauai staff Ashley Bunda Maui staff Kirstin Hamman

II. APPROVAL OF AGENDA

The Committee approved the agenda with an amendment to add three items to New Business:

- 1) NACo Prescription Discount Card Program Incentive;
- 2) NACo Database Update; and
- 3) Hosting of a Hospitality Suite at the 2012 NACo Annual Conference.



### III. MINUTES

The Committee approved the minutes of the April 2, 2012, Executive Committee meeting.

Alternate Smart asked a clarifying question regarding the discussion held at the April 2, 2012 committee meeting of whether alternates are eligible to receive travel reimbursements when attending NACo and WIR meetings. She questioned whether Vice President Pilago's comments were accurately reflective of what was communicated to her by the Hawaii County Council before she attended the WIR conference. She further asked whether the Committee had made a final decision of whether delegates would be reimbursed by HSAC if the delegates had been allowed to cast votes, as she had been able to vote at the WIR conference despite not being a designated WIR director alternate.

Treasurer Pontanilla responded that as Alternate Smart was not officially designated by HSAC to be a WIR director alternate, he has not issued a reimbursement to her at this time. He further clarified that HSAC bylaws state that NACo and WIR alternates must be specifically designated by the HSAC President or President's designee.

### IV. REPORTS

#### A. Treasurer's Reports.

The Committee approved the following items as submitted by the HSAC Treasurer:

1. Treasurer's Report for March 2012.
2. Treasurer's Report for April 2012.

#### B. County Reports

1. Maui County Report. Treasurer Pontanilla reported that the Council completed work on their FY 2013 budget which totaled \$549.9M. Additionally, the Council continues to work on the Maui island general plan which is a 20-year directed growth boundaries plan with a target completion date at the end of CY 2012.
2. Hawaii County Report. Alternate Smart reported that the Council hosted its inaugural model county council for high school students which included registering 700 high school students to vote. She further reported that the Council is considering the NACo prescription discount card program incentive that will be discussed by the Committee under new business. She updated the

Committee on recent changes made to the HSAC Annual Conference program being held on June 21-22, 2012 at the Hapuna Beach Prince Hotel.

Treasurer Pontanilla informed the Committee that at the most recent WIR conference, the President and Executive Director of the California State Association of Counties (CSAC) requested time at the HSAC annual meeting to present to the general membership a summary of CSAC activities. He asked Alternate Smart to ensure that written invitations are sent to the CSAC President and Executive Director and that 10 minutes is carved out of the HSAC conference program for the CSAC presentations. Alternate Smart responded that she would follow-up with Vice President Pilago regarding the necessary arrangements.

3. City and County of Honolulu Report. Secretary Chang reported that the FY 2013 budget will be finalized by the full Council on June 6<sup>th</sup>. He further reported that the Council is considering Bill 37 which authorizes the use of an additional line of credit by the Honolulu Authority for Rapid Transportation (HART). He stated that this line of credit was not part of the original financial plan submitted by HART but is required of HART by the Federal Transit Authority. He apprised the Committee that the Council continues to refine Bill 11 which bans all commercial activities at Kailua and Kalama beach parks. He noted that Bill 10 which bans non-biodegradable plastic bags provided to customers was enacted into ordinance. He concluded by reporting that the Council adopted Reso 12-57 which urges the United States Food and Drug Administration to require the labeling of genetically modified organisms. In response to Alternate Smart's query, he clarified that Reso 12-57 did not reference any state agency.
4. Kauai County Report. President Rapozo reported that the Council will be passing the FY 2013 budget totaling \$230.6M next week. He further reported that he expects the FY 2013 budget to pass with a 5-2 vote with himself and Councilmember KipuKai Kualii voting nay. He elucidated that he and Councilmember Kualii disagreed with the following items included in the to-be-approved FY 2013 budget: 1) Creation of 30 new positions and one new department; 2) \$5M increase for new equipment; and 3) Tax rate increases assessed on hotels, resorts and single family residences.

- C. NACo Report. Treasurer Pontanilla reported that the application of the National Association of County Veterans Service Officers to affiliate with NACo will be referred for approval by the NACo general membership at the 2012 annual conference on July 13-17 in Pittsburgh, Pennsylvania.

He further reported that the current NACo executive director is retiring and the process to select a new executive director is underway. He concluded by updating the Committee that 52 counties had cancelled membership with NACo, 39 states had provided updated rosters for the NACo prescription plan and \$4M had been collected in membership dues to date.

Secretary Chang reported that at the NACo Board forum, NACo staff presented the findings of a survey conducted by a contracted marketing firm regarding the conversion of the NACo county newsletter from print format to electronic. He further apprised the Committee of the vigorous discussion conducted about whether NACo as an organization skewed left or right of the political spectrum. He reported that the majority of speakers opined that NACo skewed to the left because of its grassroots membership and the political bent of the speakers presenting at the NACo conference.

Treasurer Pontanilla emphasized the importance of clarifying who was invited to speak at the NACo conference but declined to participate.

President Rapozo agreed that the entire roster of invitees would provide a more complete picture of whether NACo leaned left or right politically.

Maui Councilmember Riki Hokama stated that regardless of what political party the various NACo representatives belonged to individually, in his experience, the goals pursued by NACo as an organization transcended partisan politics to benefit their common communities and constituencies.

- D. WIR Report. President Rapozo stated that Vice President Pilago would present the full WIR Report at the next committee meeting.

Treasurer Pontanilla informed the Committee that the 2013 WIR conference will be held in Flagstaff, Arizona on May 22-24.

## V. UNFINISHED BUSINESS

- A. Communication from Chair Danny A. Mateo, Maui County Council, nominating Elle K. Cochran, Maui County Council, to the NACo Environment, Energy and Land Use Steering Committee.

Treasurer Pontanilla requested that this item be deferred until the next committee meeting as HSAC bylaws limit the number of members approved to receive travel reimbursement from HSAC to two members. He stated that he will be offering a bylaw amendment at the annual meeting next month regarding travel reimbursements and wanted the

general membership to be afforded the opportunity to provide input on the bylaw amendment and travel reimbursements in general.

The item was deferred.

VI. NEW BUSINESS

- A. Communication from Council Chair Jay Furfaro, Kauai County Council, regarding the Kauai County Council's HSAC representative and alternate, and nominations for the NACo and WIR Board of Directors for FY 2013.

This item was approved.

- B. Communication from County Clerk Jamae K. K. Kawauchi, County of Hawaii, regarding the Hawaii County Council's HSAC representative and alternate, and nomination for the WIR Board of Directors for FY 2013.

This item was approved.

- C. Communication from Council Chair Ernest Y. Martin, City and County of Honolulu, regarding the Honolulu City Council's HSAC representative and alternative for FY 2013.

This item was approved.

- D. Discussion regarding the Maui County Council's HSAC representative and alternate for FY 2013.

Treasurer Pontanilla informed the Committee that the Maui County Council recently approved his appointment to continue as the County's HSAC representative and Councilmember Hokama as his alternate. He further stated that a written communication would follow.

- E. Communication from County Clerk Jeffrey T. Kuwada, County of Maui, regarding the Maui County Council's approval of the proposed FY 2013 HSAC annual operating budget via Reso 12-41.

This item was received and filed.

- F. Communication from NACo First Vice President Chris Rodgers regarding the FY 2013 NACo Presidential leadership and committee appointments.

Maui Councilmember Hokama emphasized the importance for Hawaii delegates to complete the required application process for NACo leadership and committee appointments on or before the deadline of June 4, 2012. He reminded the Committee that Hawaii is fortunate to be

selected to be one of only 10 at-large appointments made by the NACo President to the NACo Board of Directors. He stated that fulfilling NACo obligations is critical to Hawaii maintaining its status at NACo, whether the obligation calls for meeting deadlines promptly or attending meetings. He further emphasized that NACo membership is not about building personal resumes, but attending all meetings and actively participating at these meetings.

President Rapozo expressed concerns about the Hawaii state delegation presenting a united front regarding submittal of names to the NACo President for one of the 10 at-large appointments to the NACo Board of Directors. He instructed staff to draft a letter for his signature on HSAC letterhead officially endorsing Secretary Chang for consideration as a NACo Presidential at-large appointee to the Board of Directors.

Maui Councilmember Hokama informed the Committee that the challenges facing NACo are membership retention and membership revenue diminutions. He apprised the Committee that NACo as an organization is seeking directors who are committed to attend all NACo meetings and actively participate, particularly in light of the retiring executive director.

President Rapozo echoed Maui Councilmember Hokama's comments regarding 100 percent attendance at all NACo meetings unless the delegate has a medical reason prohibiting travel. He further stated that HSAC should not reimburse a delegate for any travel expenses if the delegate failed to attend all scheduled NACo events.

This item was received and filed.

G. Discussion regarding the NACo Steering Committees.

Maui Councilmember Hokama reminded the Committee that the NACo President has the discretion to appoint only the steering committee leadership while HSAC nominates county delegates to be general members of the various committees. He clarified the differences between being a steering committee member versus holding a NACo or WIR board of directorship position. He opined that HSAC should only reimburse travel expenses incurred in the course of a delegate's duties as a NACo or WIR director or steering committee chairman.

President Rapozo agreed with Maui Councilmember Hokama and further stated that the individual counties should bear the travel expenses for councilmembers who are general committee members as their participation on these committees represent only their personal or individual county interests, not a consolidated state-wide county interest

as determined by HSAC. He requested Treasurer Pontanilla to draft a bylaw amendment specifying the type of NACo or WIR positions eligible for travel reimbursements from HSAC.

Alternate Smart also agreed that HSAC should only reimburse travel expenses for NACo and WIR directorships and steering committee chairmanships, not for councilmembers who are general committee members. She further stated that HSAC should be the body that determines the key issues that are pursued at NACo and WIR by delegates who receive travel expense reimbursement from HSAC. She concluded by advising the Committee that the proposed bylaw amendment relating to travel reimbursements should go into effect in FY 2014 to allow individual counties adequate time to make the requisite budget adjustments.

- H. Discussion and approval of FY 2013 officer of slate of officers for HSAC, NACo, WIR, and NACo steering committees.

The Committee approved the proposed HSAC officer slate, as follows:

- President Mel Rapozo (Kauai County Council)
- Vice President K. Angel Pilago (Hawaii County Council)
- Treasurer Joseph Pontanilla (Maui County Council)
- Secretary Stanley Chang (Honolulu City Council)

The Committee approved the proposed NACo Board of Director nominees, as follows:

- KipuKai Kualii (Kauai County Council), NACo Board of Director
- Joseph Pontanilla (Maui County Council), NACo Board of Director

The Committee approved the proposed WIR Board of Director nominees, as follows:

- Tim Bynum (Kauai County Council), WIR Board of Director
- K. Angel Pilago (Hawaii County Council), WIR Board of Director

The Committee deferred action on the NACo steering committee appointees to the June annual meeting.

I. Discussion regarding the 2012 HSAC legislative package.

President Rapozo summarized action taken by the state legislature on the 2012 HSAC legislative package. He recognized the communication sent to the Committee from the House of Representatives Chief Clerk C.J. Leong confirming the adoption of HR4, HD1, which urged the Governor and the state legislature to preserve the counties' share of the transient accommodation tax. He expressed his disappointment that SB2050 which would have codified session law liability protections due to sunset for state and county lifeguards failed to pass. President Rapozo expressed his disturbance that with the exception of one piece of legislation, the entire HSAC legislative package failed to pass.

President Rapozo expressed his desire to entertain the possibility of hiring a contract lobbyist to represent HSAC interests during the legislative session. He thanked Secretary Chang and his staff for their assistance and efforts during the most recent legislative session.

Secretary Chang reminded the Committee that one of the motivations in creating an HSAC executive director position was to represent HSAC interests at the state legislature and lobby the HSAC legislative package during session on a consistent basis.

J. Discussion and approval to endorse the NACo Prescription Discount Card Program.

President Rapozo summarized the prescription discount card program recently introduced by NACo. He explained that each county would receive a marketing reimbursement fee for every prescription filled using the NACo prescription discount card in exchange for NACo being able to print on marketing materials that their prescription discount card program was endorsed by HSAC.

In response to Alternate Smart's query, President Rapozo confirmed that the NACo program does not impact the cost of prescriptions for consumers in any way. Alternate Smart informed the Committee that the Hawaii County Council is considering a resolution endorsing the NACo program.

Maui Councilmember Hokama recommended approval of this item and suggested that a press conference be held at the June annual meeting announcing HSAC's endorsement of this program.

This item was approved.

- K. Discussion and approval of the Joint Agreement between NACo and HSAC to supply roster updates.

President Rapozo informed the Committee that NACo is experiencing difficulties receiving county roster updates. He explained that roster updates are used to ensure that the NACo database is current when the organization sends out mass mailings. He further explained that the joint agreement required HSAC to transmit to NACo an updated roster for all four counties twice a year in exchange for an annual fee of \$500 paid to HSAC by NACo.

In response to Alternate Smart's query, President Rapozo explained that the county roster update would immediately improve the effectiveness of NACo's marketing strategy for the NACo prescription discount card program.

This item was approved.

- L. Discussion regarding the hosting of a HSAC Hospitality Suite at NACo Annual Conferences.

Treasurer Pontanilla proposed that HSAC host a hospitality suite at NACo annual conferences over the next few years to promote Hawaii as a location for future NACo or WIR conferences.

Maui Councilmember Hokama reminded the Committee that HSAC has hosted similar hospitality suites at past NACo annual meetings.

President Rapozo requested that this item be placed on the next Committee agenda for discussion and approval.

- M. Communication from HSAC Vice-President K. Angel Pilago regarding the Hawaii County Council's HSAC representative and alternative, and nomination for the WIR Board of Directors for FY 2013.

President Rapozo stated that he was advised that at the last Committee meeting on April 2, 2012, this item was erroneously received and filed rather than approved. He explained that he was recalling this item for approval by the Committee.

This item was approved.

VII. ANNOUNCEMENTS

A. Schedule next meeting.

The Executive Committee meeting is scheduled for June 22, 2012 during the HSAC annual meeting held at the Hapuna Beach Prince Hotel.

B. Other Announcements.

There were no other announcements.

VIII. ADJOURNMENT

There being no further business, the meeting was adjourned at 12:11 p.m.

Very truly yours,

A handwritten signature in black ink, appearing to read 'STC' with a long horizontal stroke extending to the right.

STANLEY CHANG  
Secretary  
Hawaii State Association of Counties