

Hawaii State Association of Counties

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



MINUTES
HSAC EXECUTIVE COMMITTEE MEETING
December 23, 2013
Honolulu Hale, Council Committee Room
Honolulu, Hawaii



I. CALL TO ORDER

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

County of Kauai: President Mel Rapozo
County of Hawaii: Vice President Dennis "Fresh" Onishi
City and County of Honolulu: Secretary Stanley Chang
County of Maui: Treasurer Michael Victorino
Others Present: Ember Shinn, Honolulu Managing Director
Melissa Miranda-Johnson, Honolulu Managing Director's Office
Ed Swiffen, City & County of Honolulu
Shawn Hamamoto, City & County of Honolulu

Honolulu staff Andrew Sekine
Honolulu staff Brandon Mitsuda
Honolulu staff Lyndsey Garcia
Kauai staff Ashley Bunda
Maui staff Kimberly Willenbrink

Mike McCartney, Hawaii Tourism Authority
Brian Lynx, Hawaii Tourism Authority
Kimberly Ribellia, Hawaii Operating Engineers Industry Stabilization Fund

II. APPROVAL OF AGENDA

The Committee approved the agenda.



III. MINUTES

The Committee approved the minutes of the November 27, 2013, Executive Committee meeting.

IV. REPORTS

A. Treasurer's Report

The following item was approved by the Executive Committee:

1. Treasurer's Report for November 2013 as submitted by the HSAC Treasurer.

Treasurer Victorino noted that \$21,871.89 in residual return was received from the June 2013 HSAC conference on Kauai. Treasurer Victorino also noted that \$3,000 in seed money was approved for the next conference to be held in Honolulu next June.

B. County Reports

1. Maui County Report. Treasurer Victorino reported on the purchase of 186 acres in West Maui, work on the Lahaina Bypass, opening of a new police station in Kihei, and status of the general plan update.
2. Hawaii County Report. Vice President Onishi reported on Bill 113, planning for Pahoehoe regional park, and tobacco product legislation.
3. City and County of Honolulu Report. Secretary Chang introduced Ember Shinn, Managing Director for the City and County of Honolulu.
4. Kauai County Report. President Rapozo reported on Bill 2491 (the "Pesticide Bill") and new legislation regarding barking dogs and the licensing of cats.

- C. NACo Report. Treasurer Victorino reported on the NACo conference in Cedar Rapids, Iowa.

President Rapozo recommended that Kauai Council's NACo representative, Councilmember Gary Hooser, be replaced with Kauai Councilmember Mel Rapozo.

The members voted to have the county councils vote on the replacement of the NACo representative. Treasurer Victorino stated that he will transmit a letter to the councils requesting their approval on the foregoing matter.

- D. WIR Report. Vice President Onishi introduced Mike McCartney and Brian Lynx of the Hawaii Tourism Authority, who were asked to provide a brief presentation regarding the 2015 WIR conference in Kauai. Mr. McCartney provided an overview of tourism in Hawaii.

Main points:

- Hawaii is a leisure market; Hawaii should diversify by getting a bigger share of the business market.
- Hawaii is facing competition from Mexico and the Caribbean, which are mimicking Hawaii's marketing techniques.
- Tourism generally brings in \$42 million a day to Hawaii and \$4.7 million in state taxes a day.
- Tourism creates access due to 10.2 million air seats for 1.2 million people.
- Tourism gives us purpose.
- We should create new convention meetings rather just compete for the existing conferences.
- Hawaii ranks number four in terms of ports of entry; we should create additional ports of entry.
- Hawaii is not taken seriously as a business destination.

V. UNFINISHED BUSINESS

- A. Discussion relating to the policy for the use of estimated funds derived from the "NACo Prescription Drug Marketing Fee" budget line item in FY 2014 HSAC Annual Operating Budget.

Vice President Onishi discussed his proposal establishing a scholarship fund for \$14,000 per year for students enrolled at the Daniel K. Inouye College of Pharmacy. See memorandum from Vice President Onishi to President Rapozo dated December 10, 2013.

President Rapozo discussed his proposal for scholarships and Executive Committee travel. See memorandum from President Rapozo to the HSAC Executive Committee dated December 18, 2013.

Treasurer Victorino discussed his proposal involving scholarships and travel.

Secretary Chang stated that his proposal involves leadership.

Treasurer Victorino stated that he will prepare a proposal for the next meeting that would incorporate the various ideas of the members.

This item was deferred.

- B. Communication (August 13, 2013) from HSAC Secretary Stanley Chang transmitting for the Executive Committee's consideration proposed amendments to the HSAC Bylaws.

The members approved the communication, "HSAC BYLAWS REVIEW, SUMMARY OF CHANGES CHART," except for the item on page 5 proposing to amend HSAC Bylaws Section 13C ("Policies, Proposals and Legislative Package").

- C. Communication (October 30, 2013) from HSAC Treasurer Michael P. Victorino, transmitting for the Executive Committee's consideration proposed amendments to the Fiscal Year 2014 Annual Operating Budget.

Treasurer Victorino discussed seven proposed amendments:

1. Replace "Executive Committee Travel" with "Executive Committee Travel – Air and Ground," and increase the expense by \$1,500, from \$14,000 to \$15,500.
2. Increase "Executive Committee Miscellaneous" by \$900, from \$1,100 to \$2,000.
3. Add a new expense entitled "Online Quickbooks Monthly Fee" for \$500.
4. Replace "NACo Travel" with "NACo Travel – Air and Ground," and increase the expense by \$1,800, from \$11,700 to \$13,500.
5. Replace "NACo Travel-Steering Committees" with "NACo Travel-Steering Committees – Air and Ground," and increase the expense by \$800, from \$5,200 to \$6,000.

6. Replace "WIR Travel" with "WIR Travel – Air and Ground" and increase the expense by \$1,200, from \$7,800 to \$9,000.
7. Decrease "Adjustments for Travel and Related Expenses" by \$6,700, from \$19,495 to \$12,795.

The item was approved.

- D. Discussion and approval of HSAC's "Audited Financial Statements (With Independent Auditor's Report) for the Years Ended June 30, 2013 and 2013.

Treasurer Victorino reported that the auditors found no discrepancies and were pleased with the financial statements.

The item was approved.

- E. Discussion relating to HSAC's lobbying plan in preparation for the 2014 Hawaii State Legislative Session.

The lobbying effort for the three HSAC package items will be in conjunction with HCOM. President Rapozo encouraged the members to work with the mayors develop a plan to provide input on the respective hearing dates. President Rapozo stated that Kauai staff Bunda will track the bills and notify members of the need to submit written testimony. Treasurer Victorino and President Rapozo encouraged staff to share bill tracking information with their counterpart staffs. President Rapozo suggested that proposals that did not make it into the final HSAC package also be tracked to facilitate testimony by individual councilmembers.

- F. Requesting the presence of the Hawaii Council of Mayors (HCOM) to discuss HCOM's Legislative Priorities for the 2014 Hawaii State Legislative Session

The item was received.

- G. Discussion relating to HSAC's Legislative Priority Policy Statement

In response to President Rapozo's question regarding the members' approval of the mayors' general excise tax proposal, the members commented they should vote on the matter after the start of the legislative session. The members decided to vote on the proposal on January 15 at 3:00 p.m.

Secretary Chang asked whether the Executive Committee could approve the proposed bylaws change to Section 13C ("The Executive Committee is authorized to approve HSAC Legislative Priorities that will complement the HSAC Legislative Package without prior approval of the respective councils.") in order to make it possible for the Executive Committee to approve the GET proposal at the present meeting. Treasurer Victorino stated that such an action may be challenged.

President Rapozo stated that the foregoing proposed bylaws amendment is a substantial change from the existing bylaws and should be discussed with the councils.

Treasurer Victorino stated that legislative priorities that are agreed upon by the councils would enable the Executive Committee to move expeditiously on pertinent areas.

Vice President Onishi opined that the legislature may be confused by HSAC having a legislative priorities and a package.

President Rapozo suggested that the matter of legislative priorities be discussed at the general membership meeting. President Rapozo stated it would be difficult to amend priorities at this point because the councils have already voted on them.

Secretary Chang stated that the bylaws change should precede the setting forth of legislative priorities.

Secretary Chang asked whether the GET proposal could be approved on an interim or provisional basis. President Rapozo stated that Treasurer Victorino has made the point that this may conflict with HSAC bylaws and may be challenged by councilmembers.

President Rapozo suggested that the Executive Committee vote on the GET proposal at their special meeting on January 15, 2014, 3:00 p.m. All other matters, including the proposed bylaws amendments, may be discussed at the regular HSAC meeting on January 14, 2014, 9:00 a.m.

The item was received. A new item will be posted for the next meeting.

VI. NEW BUSINESS

- A. Communication (November 22, 2013) from County Clerk Stewart Maeda, County of Hawaii, transmitting for the Executive Committee's information, Resolution 181-13 (Draft 2), relating to the 2014 HSAC Legislative Package.

This item was received.

- B. Discussion and consideration of a proposal relating to the General Excise Tax (GET) to be included in the 2014 Hawaii State Association of Counties (HSAC) Legislative Package.

Vice President Onishi stated that he will support the proposal. President Rapozo stated that he also will support the proposal and that there's a general consensus that the members support the proposal.

This item was deferred to January 15, 2014, 3:00 p.m.

VII. ANNOUNCEMENTS

- A. Schedule next meeting.

1. The next Executive Committee regular meeting will be held on January 14, 2014, 9:00 a.m. at Honolulu Hale.
2. An HSAC luncheon will be held on January 14, 12:30 p.m., at the State Capitol.
3. The Executive Committee meeting will meet on January 15, 3:00 p.m., to vote on the GET proposal.

- B. Other announcements.

Honolulu staff Mitsuda reported on the status of planning for the 2014 HSAC annual conference to be held on June 12-13, 2014.

VIII. ADJOURNMENT

The meeting was adjourned at 12:30 p.m.

Very truly yours,



STANLEY CHANG
Secretary
Hawaii State Association of Counties