

Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

200 S. High Street, Wailuku, Hawaii 96793 (808) 270-7665

www.hicounties.com



AGENDA

HSAC GENERAL MEMBERSHIP MEETING

Wednesday, June 22, 2016, at 10 a.m. or soon thereafter

Keauhou III, Sheraton Kona Resort

78-128 Ehukai Street

Kailua-Kona, Hawaii 96740

I. CALL TO ORDER

II. APPROVAL OF AGENDA

III. MINUTES

- A. Minutes of the June 24, 2015 HSAC General Membership meeting, as submitted by HSAC Secretary Ikaika Anderson.
- B. Minutes of the January 19, 2016 Special HSAC General Membership meeting, as submitted by HSAC Secretary Ikaika Anderson.

IV. TREASURER'S REPORTS

- A. Fiscal Year 2017 HSAC Annual Operating Budget.
- B. Monthly Treasurer's Reports from June 1, 2015 to May 31, 2016.

V. EXECUTIVE COMMITTEE MEETING MINUTES

- A. June 24, 2015
- B. July 29, 2015
- C. August 27, 2015
- D. September 11, 2015
- E. September 30, 2015
- F. November 23, 2015
- G. December 7, 2015
- H. January 19, 2016
- I. February 12, 2016
- J. March 8, 2016
- K. April 21, 2016
- L. May 31, 2016

VI. EXECUTIVE COMMITTEE REPORTS

- A. The Executive Committee at its August 27, 2015 meeting approved HSAC's audited financial statements for Fiscal Year 2015 as prepared by Carbonaro CPAs & Management Group.
- B. The Executive Committee at its September 11, 2015 meeting approved a State bill relating to zoning to be included in the 2016 HSAC Legislative Package.



- C. The Executive Committee at its September 30, 2015 meeting approved a bylaw amendment adding a two-year rotation schedule for the HSAC slate of officers and approved a new slate of officers.
- D. The Executive Committee at its November 23, 2015 meeting approved the following proposals to be included in the 2016 HSAC Legislative Package:
1. A bill for an act relating to counties' short-term investments
 2. A bill for an act relating to public agency meetings and records
 3. A bill for an act relating identification cards for persons with disabilities
 4. A bill for an act relating to zoning
 5. A bill for an act relating to tort liability
 6. A bill for an act relating to mopeds
 7. A resolution requesting the Hawaii State Legislature urge Hawaii's congressional delegation to propose and pass a constitutional amendment to provide that corporations are not people with constitutional rights and that unlimited campaign spending is not free speech

The four county councils reviewed and approved the proposals, which were submitted to the Legislature as the 2016 HSAC Legislative Package.

- E. The Executive Committee at its November 23, 2015 meeting approved \$5,000 as seed money for the 2016 HSAC Conference bank account.
- F. The Executive Committee at its January 19, 2016 meeting authorized Dennis "Fresh" Onishi and Susan Caseria as signatories for the 2016 HSAC Conference bank account.
- G. The General Membership at its January 19, 2016 meeting approved the Fiscal Year 2016 slate of officers:

President	Michael P. Victorino, Maui County Council Gladys C. Baisa (alternate)
Vice President	Dennis "Fresh" Onishi, Hawaii County Council Danny Paleka (alternate)
Secretary	Mel Rapozo, Kauai County Council Ross Kagawa (alternate)
Treasurer	Ikaika Anderson, Honolulu City Council Joey Manahan (alternate)

On April 21, 2016, the committee approved the same slate for Fiscal Year 2017.



- H. The Executive Committee at its February 12, 2016 meeting authorized reimbursement for airfare and ground transportation for one staff member from Maui County for training purposes. The committee also approved a new official letterhead.
- I. The Executive Committee at its March 8, 2016 meeting approved a \$10,000 budget for lobbying and communication efforts, with a focus on the counties' advocacy for a fair share of the Transient Accommodations Tax.
- J. The Executive Committee at its April 21, 2016 meeting approved HSAC's Fiscal Year 2016 Annual Operating Budget.
- K. The Executive Committee at its April 21, 2016 meeting approved Ikaika Anderson and KipuKai Kualii to serve on the National Association of Counties Board of Directors and Mike White and Danny Paleka to serve on the Western Interstate Region Board of Directors for Fiscal Year 2017. In addition, Dennis "Fresh" Onishi continues to serve on the NACo Board of Directors as a presidential appointee.
- L. The Executive Committee at its May 31, 2016 meeting approved a bylaw amendment to allow for the reimbursement of lodging expenses arising from official travel.

VII. ELECTION OF OFFICERS

- A. The following is the proposed slate of officers for Fiscal Year 2017.

President	Michael P. Victorino, Maui County Council Gladys C. Baisa (alternate)
Vice President	Dennis "Fresh" Onishi, Hawaii County Council Danny Paleka (alternate)
Secretary	Mel Rapozo, Kauai County Council Ross Kagawa (alternate)
Treasurer	Ikaika Anderson, Honolulu City Council Joey Manahan (alternate)

- B. The following are nominees to the NACo Board of Directors and WIR Board of Directors for the 2016-2017 term.

NACo Board of Directors

- KipuKai Kualii, Kauai County Council
- Ikaika Anderson, Honolulu City Council

WIR Board of Directors

- Mike White, Maui County Council



- Danny Paleka, Hawaii County Council

VIII. NEW BUSINESS

- A. Discussion on the proposed 2017 HSAC Legislative Package timeline:
- a. September 9, 2016 — Deadline to receive proposals from each county to be included in the 2017 HSAC Legislative Package.
 - b. September 30, 2016 — Deadline for the Executive Committee to forward the proposals to each county for consideration.
 - c. November 25, 2016 — Deadline for counties to approve the proposed 2017 HSAC Legislative Package.
 - d. January 18, 2017 — Opening day of 2017 State Legislative Session; luncheon and briefing with State legislators.
- B. Discussion on lobbying efforts for 2017 State Legislative Session.

IX. ANNOUNCEMENTS

X. ADJOURNMENT



Hawaii State Association of Counties

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



MINUTES
 HSAC GENERAL MEMBERSHIP MEETING
 June 24, 2015
 Kaeo Ballroom
 Makena Beach and Golf Resort
 5400 Makena Alanui
 Kihei, Maui, Hawaii 96753

I. CALL TO ORDER

The HSAC General Membership meeting was called to order by President Mel Rapozo at 7:07 p.m. The following members comprising a quorum were present:

County of Kauai: HSAC President Mel Rapozo, County of Kauai Council Chair

County of Hawaii: Vice President Dennis "Fresh" Onishi, County of Hawaii Councilmember

City and County of Honolulu: Secretary Ikaika Anderson, City and County of Honolulu Council Vice-Chair

County of Maui: Treasurer Michael Victorino, County of Maui Councilmember

Others Present:

Hawaii Council: Chair Dru Mamo Kanuha, Vice Chair Valerie Poindexter, Councilmember Karen Eoff, Councilmember Maile Medeiros David.

Honolulu Council: Councilmember Trevor Ozawa.

Kauai Council: Councilmember KipuKai Kualii.

Maui Council: Councilmember Stacy Crivello.

Hawaii Council staff: No sign-ins.

Honolulu Council staff: Doug Chun, Brandon Mitsuda.

Kauai Council staff: Aida Okazaki.

Maui Council staff: Chancy Hopper, David Raatz, Stephanie Ohigashi, Troy Hashimoto, Kit Zulueta.



Scott Saiki, Majority Leader, State House of Representatives; Louis K. Furst, Island & Bluffs at Maui Lani Owners; Danny Aagsalog, County of Maui Finance Director; David Ching, County of Maui; Peter H.M. Lee, Hawaii LECET; Joy Kimura, Hawaii LECET; Maui Electric Company; Jocelyn Victorino; Ipo Mossman.

II. APPROVAL OF AGENDA

President Rapozo called for testimony on any of the agenda items. There was no testimony.

The Membership approved the agenda.

III. MINUTES

The Membership approved the following items, as submitted by the HSAC Secretary:

- A. Minutes of the June 13, 2014 General Membership Meeting
- B. Minutes of the November 13, 2014 General Membership Meeting.

IV. TREASURER'S REPORTS

- A. May 1-31, 2014
- B. June 1-30, 2014
- C. July 1-31, 2014
- D. August 1-31, 2014
- E. August 1-31, 2014, as Amended
- F. September 1-30, 2014
- G. September 1-30, 2014, as Amended
- H. October 1-31, 2014
- I. November 1-30, 2014
- J. December 1-31, 2014
- K. January 1-31, 2015
- L. February 1-28, 2015
- M. Fiscal Year 2016 HSAC Annual Operating Budget
- N. March 1-31, 2015
- O. April 1-30, 2015
- P. May 1-31, 2015

A motion was made, seconded and approved to receive and approve all submitted Treasurer's Reports.

V. EXECUTIVE COMMITTEE MEETING MINUTES

The Membership approved the following items, as submitted by the HSAC Secretary:

- A. June 13, 2014
- B. July 25, 2014
- C. August 25, 2014
- D. September 15, 2014
- E. October 24, 2014
- F. November 13, 2014
- G. January 20, 2015
- H. March 10, 2015
- I. April 16, 2015, Special Meeting
- J. April 27, 2015
- K. May 7, 2015
- L. May 22, 2015, Special Meeting

VI. EXECUTIVE COMMITTEE REPORTS

- A. The Executive Committee at its July 25, 2014 meeting approved the following NACo Steering Committee nominations:
 - 1. Councilmember Margarete Wille, Hawai'i County Council – Agriculture and Rural Affairs
 - 2. Council Chair Ernest Y. Martin, Honolulu City Council – a) Agriculture & Rural Affairs; b) Community, Economic & Workforce Development
 - 3. Councilmember Elle Cochran, Maui County Council – a) Agriculture & Rural Affairs; b) Environment, Energy & Land Use
 - 4. Councilmember Don Couch, Maui County Council – a) Telecommunications & Technology; b) Agriculture & Rural Affairs
- B. The Executive Committee at its August 25, 2014 meeting approved the nomination of Councilmember Michael P. Victorino, Maui County Council, to serve on the NACo Environment, Energy & Land Use Steering Committee.
- C. The Executive Committee at its August 25, 2014 meeting approved an amendment to the Fiscal Year 2014-2015 HSAC Annual Operating Budget relating to travel expenses for NACo Board of Directors.

- D. The Executive Committee at its September 15, 2014 meeting approved the following proposals submitted by the Maui County Council, to be included in the 2015 HSAC Legislative Package and the 2015 HSAC Legislative List of Priorities:
1. A Bill for an Act Relating to Transient Accommodations Tax
 2. Legislative priorities relating to the following:
 - a. Transient Accommodations Tax
 - b. Retail Sales Tax
 - c. General Excise Tax
 - d. Open Government (including the Sunshine Law and Uniform Information Practices Act)
 - e. Transportation
 - f. Capital Improvement Projects
- E. The Executive Committee at its September 15, 2014 meeting approved the following proposals submitted by the Hawai'i County Council, to be included in the 2015 HSAC Legislative Package:
1. A Bill for an Act Relating to the Pacific International Space Center for Exploration Studies
 2. A Bill for an Act Relating to the Hawai'i Health Systems Corporation Primary Care Training Program
 3. A Bill for an Act Relating to Abuse of Family or Household Member
- F. The Executive Committee at its September 15, 2014 meeting approved the following proposals submitted by the Kaua'i County Council, to be included in the 2015 HSAC Legislative Package:
1. A Bill for an Act Relating to Evidence
 2. A Bill for an Act Relating to Zoning
- G. The Executive Committee at its September 15, 2014 meeting approved seed money in the amount of \$10,000 for the 2015 WIR Conference to be held at the Grand Hyatt Kaua'i Resort and Spa on May 20 – 22, 2015, for the purpose of deposits required for the NACo/WIR Board of Directors Reception, the WIR Conference-Wide Event, and other miscellaneous expenses.

- H. The Executive Committee at its January 20, 2015 meeting approved the Hawai'i State Association of Counties, Inc. Audited Financial Statements (With Independent Auditors' Report) for the years ended June 30, 2014 and 2013.
- I. The Executive Committee at its March 10, 2015 meeting approved the nominations of Councilmember Don Couch, Maui County Council, and Councilmember Brandon Elefante, Honolulu City Council, to the Board of Advisors of the Center for Alternative Dispute Resolution.
- J. The Executive Committee at its March 10, 2015 meeting approved the nomination of Councilmember Danny Paleka, Maui County Council, to serve as a Director on the Western Interstate Region (WIR) Board of Directors.
- K. The Executive Committee at its March 10, 2015 meeting approved the Hawai'i State Association of Counties Fiscal Year 2015-2016 Annual Operating Budget.
- L. The Executive Committee at its March 10, 2015 meeting approved the new authorized signers on the HSAC Conference checking account with Bank of Hawai'i for the 2015 HSAC Annual Conference.
- M. The Executive Committee at its April 16, 2015 special meeting approved authorization to transfer seed money in the amount of \$5,000 from the HSAC bank account to the HSAC Conference bank account for the 2015 HSAC Annual Conference.
- N. The Executive Committee at its April 16, 2015 special meeting approved HB 134, HD1, SD2, Relating to Taxation (County Surcharge on State Tax) to be included in the 2015 HSAC Legislative Package.
- O. The Executive Committee at its April 16, 2015 special meeting approved the amended HSAC Resolution regarding HB 321, HD1, SD2, Relating to Medical Marijuana, and SB 682, SD2, HD1, Relating to Medical Marijuana.
- P. The Executive Committee at its April 16, 2015 special meeting approved the proposal to establish a dedicated HSAC website and purchase of the domain name www.hicounties.com (and all other available domain name extensions such as .us, .org, .info, and .net) for the purchase price of \$12.99.
- Q. The Executive Committee at its April 27, 2015 meeting approved the appointments of Councilmember Mel Rapozo, Kaua'i County Council, and Councilmember Ross Kagawa, Kaua'i County Council, to serve as

representative and alternate, respectively, on the Executive Committee of the Hawai'i State Association of Counties, and the nomination of Councilmember KipuKai Kualii, Kaua'i County Council, to serve as a Board of Directors member for the National Association of Counties for the 2015-2016 term.

- R. The Executive Committee at its April 27, 2015 meeting approved the appointments of Councilmember Michael P. Victorino, Maui County Council, and Councilmember Gladys C. Baisa, Maui County Council, to serve as representative and alternate, respectively, on the Executive Committee of the Hawai'i State Association of Counties for the 2015-2016 term.
- S. The Executive Committee at its May 7, 2015 meeting approved the proposed HSAC Slate of Officers for the 2015-2016 term.
- T. The Executive Committee at its May 7, 2015 meeting approved HSAC's Tax Form 990-EZ.
- U. The Executive Committee at its May 22, 2015 special meeting approved the proposed NACo and WIR Board of Director nominations for the 2015 2016 term.

The Membership received and filed the foregoing items, as reported and submitted by the Executive Committee.

VII. UNFINISHED BUSINESS

There was no unfinished business.

VIII. NEW BUSINESS

- A. Discussion regarding the 2016 HSAC Legislative Package timeline, as follows:
 - 1. September 11, 2015 – Deadline to receive proposals from each County to be included in the 2016 HSAC Legislative Package.
 - 2. September 21, 2015 – Schedule HSAC Executive Committee Meeting to discuss and act on all proposals submitted by the Counties. Approved proposals will then be forwarded to each County for its consideration.
 - 3. November 27, 2015 – Deadline for the Counties to approve the proposed 2016 HSAC Legislative Package.

4. December 11, 2015 – Schedule HSAC Executive Committee Meeting to approve the final 2016 HSAC Legislative Package.

President Rapozo noted that every year the HSAC Legislative Package presents a challenge for the counties to meet the internal deadlines. Because of that challenge, he urged each county to start now in formulating proposals for submission to the HSAC Executive Committee. He further noted that coordinating all the proposals and moving these proposals through each County Council and ultimately through the HSAC Executive Committee is difficult and requires everyone's cooperation. Finally, he noted that although the schedule looks like a lot of time, the time will go quickly and the deadlines will be here before the counties know it.

Vice President Onishi stated that HSAC's record with respect to its State legislative package is poor, with the last legislative session resulting in a zero-for-six batting average with all six package measures dying. He further suggested that what needs to be done is to better HSAC's relationship with the legislators representing each of the respective counties by meeting with them to find out what they view as legislative priorities that will affect the entire State, not just the counties, and then rally HSAC's proposals around those priorities.

President Rapozo noted that the counties are the ones on the front line who deal with the people every day. Yet when they approach the legislature, they're treated like step-children who don't even deserve the courtesy of the legislature's time. President Rapozo stated that the last time he was at the Legislature, the legislators he spoke to were very rude and discourteous. (At this point in the discussion, Secretary Anderson introduced Representative Scott Saiki, who had entered the ballroom. Secretary Anderson also introduced Councilmember Trevor Ozawa, who had entered the ballroom with Rep. Saiki.)

Treasurer Victorino stated that he had to disagree with the characterization of HSAC's batting average as zero-for-anything. He pointed to the facts, including the following examples: 1) Two years ago the beach liability issue came up and HSAC fought hard and protected the counties when it could have been disastrous, 2) Then the legislature wanted to take away the counties' portion of the TAT and HSAC fought hard and got more, not less, of the TAT, and 3) Recently, the legislature wanted to include the counties acceptance of roads-in-limbo as a condition of extending the GET surcharge period and HSAC fought hard and got that condition removed. In general, the counties are not going to get everything they want. But the counties have gotten things done even

if the State wants to take credit for the legislation, and there are those in the Legislature that truly appreciate the counties' effort to support the issues they feel are important.

President Rapozo stated that there would be time to discuss other strategies for dealing with the Legislature before the September internal deadline for submitting legislative proposals. He also suggested that if anyone has a great relationship with their county's legislators, they should invite them to speak to the HSAC Executive Committee and advise us on what HSAC can do to increase its productivity. (At this point in the discussion, Vice President Onishi asked Rep. Saiki if he had any advice for the Executive Committee regarding how to improve HSAC's legislative relationship and record at the State Capitol.)

Rep. Saiki advised the Executive Committee to start early and not to wait for the start of the legislative session to begin lobbying legislators regarding the HSAC package. Although HSAC sponsors a luncheon at the start of each session, he advised the Executive Committee to come in well before that luncheon takes place and meet with legislators as early as November, including meeting with the fiscal committee chairs since almost everything requires funding. He concluded that this means that HSAC will need to formulate its package as soon as possible.

A motion was made, seconded, and approved to receive this item.

IX. ELECTION OF OFFICERS

A. Discuss and approve the following proposed HSAC State of Officers for Fiscal Year 2015-2016:

1. President: Michael P. Victorino, Maui County Council
Gladys C. Baisa (Alternate)
2. Vice President: Dennis "Fresh" Onishi, Hawai'i County Council
Daniel K. Paleka, Jr. (Alternate)
3. Secretary: J. Ikaika Anderson, Honolulu City Council
Joey Manahan (Alternate)
4. Treasurer: Mel Rapozo, Kaua'i County Council
Ross Kagawa (Alternate)

President Rapozo stated that as discussed in the just-completed Executive Committee meeting held immediately before this meeting, this item should be deferred to allow the Hawaii Island County Council to revisit this matter.

A motion was made, seconded, and approved to defer this item.

B. Discuss and approve the following nominations to the NACo and WIR Board of Directors for the 2015-2016 term.

1. NACo Board of Directors

- a. KipuKai Kualii, Kaua'i County Council
- b. J. Ikaika Anderson, Honolulu City Council

2. WIR Board of Directors

- a. Danny Paleka, Hawai'i County Council
- b. Mike White, Maui County Council

There being no discussion, a motion was made, seconded, and approved to approve the nominations for both the NACo and WIR Board of Directors.

X. ANNOUNCEMENTS

Treasurer Victorino noted that following the adjournment of the HSAC General Membership meeting, everyone is invited to participate in the meet-and-greet event that was already underway outside the ballroom, and which would include heavy pupus and entertainment.

Treasurer Victorino concluded by stating that he has always approached his HSAC duties as a team player, noting that when the Executive Committee wanted to support issues such as the GET extension and medical marijuana dispensaries, he supported HSAC's positions, even though his Maui County Council colleagues did not necessarily support these positions—he did it for the HSAC team. Having said that, Treasurer Victorino stated that he is disappointed that the Executive Committee cannot make certain decisions because the Hawaii County Council failed to approve the HSAC officer slate for FY2016, and having reviewed the recording of the Hawaii County Council meeting where Resolution No. 197-15 approving the HSAC Executive Committee slate for FY2016 failed, he is very disappointed by some of the comments made at that Hawaii County Council meeting. In spite of that, he concluded by stating that he would continue to be a team player and help his HSAC colleagues in the future.

Meeting attendee and Hawaii County Councilmember Valerie Poindexter requested to speak and stated that, for the record, the Hawaii County Council is also a team and that the Council voted to reject Resolution No. 197-15 in deference to the recommendation of the Hawaii Island delegate to HSAC.

XI. ADJOURNMENT

The meeting was adjourned at 7:31 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ikaika Anderson". The signature is stylized and cursive.

IKAIKA ANDERSON

Secretary

Hawaii State Association of Counties



Hawaii State Association of Counties

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



MINUTES
SPECIAL HSAC GENERAL MEMBERSHIP MEETING
 January 19, 2016, 10:00 a.m.
 Honolulu Hale, Committee Meeting Room
 530 South King Street
 Honolulu, Hawaii 96813

I. CALL TO ORDER

The HSAC General Membership meeting was called to order by HSAC President and County of Kauai Council Chair Mel Rapozo at 10:03 a.m. The following members comprising a quorum were present:

County of Kauai: HSAC President Mel Rapozo, County of Kauai Council Chair

County of Hawaii: Vice President Dennis "Fresh" Onishi, County of Hawaii Councilmember

City and County of Honolulu: Secretary Ikaika Anderson, City and County of Honolulu Council Vice Chair

County of Maui: Treasurer Michael Victorino, County of Maui Councilmember

Others Present: Councilmember Mike White, County of Maui Council Chair;
 Councilmember Gladys Baisa, County of Maui;
 Councilmember Don Couch, County of Maui;
 Councilmember Stacy Crivello, County of Maui;
 Councilmember Riki Hokama, County of Maui;
 Councilmember Greggor Ilagan, County of Hawaii;
 Councilmember Margaret Wille, County of Hawaii.



Honolulu staff Doug Chun, Legislative Analyst, Office of Council Services;
Honolulu staff Brandon Mitsuda, Council Liaison, Honolulu City Council Administrative Support Services;
Honolulu staff Francisco Figueiredo, Legislative Aide, Office of Councilmember Ikaika Anderson;
Honolulu staff Shirley Ann Templo, Legislative Aide, Office of Councilmember Joey Manahan;
Honolulu staff Jim Williston, Assistant Director, Office of Council Services;
Kauai staff Aida Okasaki, Legislative Assistant, Council Services Division;
Maui staff Kit Zulueta, Communication Director, Office of Council Services.

II. APPROVAL OF AGENDA

In response to questions, President Rapozo clarified that the only voting members of the General Membership are the same four members that make up the Executive Committee.

The Membership approved the agenda.

III. EXECUTIVE COMMITTEE REPORTS

- A. The Executive Committee at its June 24, 2015 meeting approved proposed amendments to the Bylaws of the Hawai'i State Association of Counties, Inc., which amend Section 5 to include term limits of officers, to be effective July 1, 2015. The new language was further amended at this same meeting to replace the word "officer" with "county."

At this point, a discussion ensued around a possible scenario where a new councilmember is appointed to the HSAC Executive Committee and the possible negative impacts of having an inexperienced member on the Committee. During the discussion, it was noted that: 1) The intent is for each County Council to appoint the best-qualified member to serve each year, 2) Because there is no guarantee that a new person will never be appointed, it's expected that the other members and staff will rally around and support any new and inexperienced HSAC Executive Committee member, and 3) HSAC is not unique in this regard, since the process in other governmental organizations, including NACo, may also result in inexperienced members being appointed from time to time.

A motion was made, seconded, and approved to approve this proposed Bylaw amendment.

- B. The Executive Committee at its September 30, 2015 special meeting approved proposed amendments to the Bylaws of the Hawai'i State Association of Counties, Inc., which amend Section 5, Paragraph 2, as follows:
1. A new slate of officers for the term beginning in 2015; and
 2. Adding a rotation schedule for the slate of officers.

A motion was made, seconded, and approved to approve this proposed Bylaw amendment.

IV. NEW BUSINESS

- A. Discussion regarding the 2016 HSAC Legislative Package.

A brief discussion ensued that made note of the following points: 1) All four counties have approved the HSAC Legislative Package, 2) Unfortunately, HSAC was unable to meet the legislative deadlines for getting its package to the legislature this year, 3) Failure to meet legislative deadlines does not prevent HSAC from informally presenting its legislative package at the Capitol luncheon scheduled for later today, and 4) The Speaker of the State House of Representatives has verbally committed to introducing the package on HSAC's behalf, despite the missed deadlines.

A motion was made, seconded, and approved to receive this item.

A second motion was made, seconded, and approved to add an action item (B.) to allow the General Membership to vote on the unofficial HSAC package.

A third motion was made, seconded, and approved to approve the unofficial HSAC package, present the preliminary package to the Legislature on behalf of the General Membership, and have the HSAC Executive Committee officially approve the HSAC package, after the fact, at its next Executive Committee meeting in February.

V. ELECTION OF OFFICERS

A. Discuss and approve the following proposed HSAC Slate of Officers for Fiscal Year 2015-2016:

1. President: Michael P. Victorino, Maui County Council
Gladys C. Baisa (Alternate)
2. Vice President: Dennis "Fresh" Onishi, Hawai'i County Council
Danny Paleka (Alternate)
3. Secretary: Mel Rapozo, Kaua'i County Council
Ross Kagawa (Alternate)
4. Treasurer: J. Ikaika Anderson, Honolulu City Council
Joey Manahan (Alternate)

A motion was made, seconded, and approved to approve this item.

VI. ANNOUNCEMENTS

President Rapozo read a framed proclamation honoring Councilmember and past NACo President Riki Hokama for his service on the local and national level. Each member of the General Membership took the microphone in congratulating and thanking Councilmember Hokama for his invaluable service.

VII. ADJOURNMENT

The meeting was adjourned at 10:33 a.m.

Respectfully submitted,



IKAIKA ANDERSON
Secretary
Hawaii State Association of Counties



Hawaii State Association of Counties
 Counties of Kauai, Maui, Hawaii and City and County of Honolulu



MINUTES
HSAC EXECUTIVE COMMITTEE MEETING
 June 24, 2015
 Kaeo Ballroom
 Makena Beach and Golf Resort
 5400 Makena Alanui
 Kihei, Maui, Hawaii 96753

I. CALL TO ORDER

The HSAC Executive Committee was called to order by President Mel Rapozo at 6:20 p.m. The following members comprising a quorum were present:

- County of Kauai: HSAC President Mel Rapozo, County of Kauai Council Chair
- County of Hawaii: Vice President Dennis "Fresh" Onishi, County of Hawaii Councilmember
- City and County of Honolulu: Secretary Ikaika Anderson, City and County of Honolulu Council Vice-Chair
- County of Maui: Treasurer Michael Victorino, County of Maui Councilmember

Others Present:

Hawaii Council: Chair Dru Mamo Kanuha, Vice Chair Valerie Poindexter, Councilmember Karen Eoff, Councilmember Maile Medeiros David.

Honolulu Council: Chair Ernie Martin.

Kauai Council: Councilmember KipuKai Kualii.

Maui Council: Chair Mike White, Councilmember Robert Carroll, Councilmember Stacy Crivello, Councilmember Donald Couch.

Hawaii Council staff: No sign-ins.

Honolulu Council staff: Doug Chun, Brandon Mitsuda.

Kauai Council staff: Aida Okazaki.

Maui Council staff: Kit Zulueta, Chancy Hopper, David Raatz, Stephanie Ohigashi, Troy Hashimoto.



Louis K. Furst, Island & Bluffs at Maui Lani Owners; Danny Agsalog, County of Maui Finance Director; Linda Rosehill, Rosehill & Associates; David Ching, County of Maui; Peter H.M. Lee, Hawaii LECET; Joy Kimura, Hawaii LECET; Yuki Lei Sugimura, Connec, LLC; Mahina Martin, Maui Electric Company; Kaiya Kaha; Jocelyn Victorino; Sandy Taniguchi; Shirley Blackburn; Ipo Mossman.

II. APPROVAL OF AGENDA

The Committee approved the agenda.

III. MINUTES

The Committee approved the minutes of the May 7, 2015 and May 22, 2015 Executive Committee meetings.

IV. REPORTS

A. Treasurer's Report

1. Treasurer's Report for the month of April 2015, as submitted by the HSAC Treasurer. (Deferred from May 7, 2015)

Treasurer Victorino noted that for the period ended April 30, 2015, the total balance after accounting for revenues and expenses was \$148,981.09.

2. Treasurer's Report for the month of May 2015, as submitted by the HSAC Treasurer.

Treasurer Victorino noted that for the period ended May 31, 2015, the total balance after accounting for revenues and expenses was \$143,816.85.

There being no questions for Treasurer Victorino, these two Treasurer's Reports were approved.

B. County Reports

1. Maui County Report. Treasurer Victorino began by welcoming all delegates, officials, staff and visitors to the 2015 HSAC Conference. He then began his oral report by reporting the following items: 1) On June 22, 2015, the County Council overrode the mayor's veto of the 2016 budget since the Council will no longer allow the moving of funds between accounts without first coming to the Council for a budget amendment, 2) The County, on a visit to

Lanai, held the first of nine planning meetings scheduled throughout Maui County to discuss updates to County Plans, 3) The Council attended the blessing of the new Waikamoi Flumes, which replace the old redwood flumes with aluminum steel and will provide over 10,000 residents in upcountry Maui with water, and 4) The Council continues comprehensive discussions and work on the new fiscal budget.

2. Hawaii County Report. Vice President Onishi reported that Hawaii County passed a \$400 million budget, including the authorization of \$99 million in bond funds that will target numerous improvements, including the upgrading of island parks, a new fire station in Hilo, and the construction of a new mass transit facility.
3. City and County of Honolulu Report. Secretary Anderson reported the following items: 1) On June 3, 2015, the City Council passed Bill 6 by overriding the Mayor's earlier veto of this bill that amends the current sit/lie ordinance, 2) The Council also adopted Resolution 15-132, which approved the appointment of HSAC officers for FY2016, as well as Resolution 15-138, which appointed Terrence Lee to the Board of the Honolulu Authority for Rapid Transportation as a replacement for Keshie Hui, 3) On June 12, 2015, the City Council hosted the Kaoshiung City Council Goodwill Delegation from our sister city in Taiwan, and also hosted students from Osaka, Japan, who toured Honolulu Hale and were received as guests in the Council Chamber, and 4) the Council is currently working with the Nagaoka City Council of Japan on co-hosting the Peace Exchange Commemorative Project to strengthen ties between the U.S. and Japan. On October 14-15, 2015, the Youth Peace Exchange Summit will be held and Nagaoka fireworks will be launched at Pearl Harbor. The public is invited to attend.
4. Kauai County Report. President Rapozo reported that two items garnered media attention recently: 1) The County Council passed an ordinance regulating Bed and Breakfast accommodations by requiring B&B owners to live in the residence and by also requiring that the B&B unit must be part of the residence and not detached from the main residence, and 2) The County Council will be forming a special committee to look at the pros and cons of a County Manager system, which would effectively do away with a mayor and the executive branch system. Currently 49 percent of U.S. counties have a county or city manager instead of a mayor. The special committee will have six months to do its work and report back to the full Council. President Rapozo noted that the other

neighbor island counties will likely be very interested in Kauai's findings.

A motion was made, seconded and approved to receive the county reports.

C. NACo Report

Treasurer Victorino reported that the annual NACo conference would be held from July 9-13, 2015 in Charlotte, North Carolina. He further noted that this would represent the final meeting over which President Riki Hokama would preside and urged everyone wanting to attend to register as soon as possible since hotels in the area are reportedly filling up quickly.

Vice President Onishi commented that the current NACo hotel booking system is flawed and needs to be fixed. Apparently, there is a gap in communications that does not allow one section of the housing staff to communicate with another section, which results in people placed on a waiting list for a specific hotel being overlooked when a room actually opens up.

D. WIR Report

President Rapozo thanked everyone who participated in the WIR conference on Kauai in May, noting that the conference was a big success.

A motion was made, seconded and approved to receive the NACo and WIR reports.

V. NEW BUSINESS

A. Communication (May 6, 2015) from Acting City Clerk Glen Takahashi, City and County of Honolulu, transmitting for the Executive Committee's information the following Resolutions, which were adopted by the Honolulu City Council at its meeting on May 6, 2015:

- 1) Resolution 15-91 – Relating To Appointments And Nominations To The Hawai'i State Association Of Counties Executive Committee And Nominations To The National Association Of Counties Board Of Directors And The Board Of Directors Of The Western Interstate Region.

- 2) Resolution 15-93 – Approving The Proposed Budget For The Hawai'i State Association Of Counties For The Fiscal Year 2016.

There being no discussion, a motion was made, seconded and approved to receive the item.

- B. Communication (May 20, 2015) from Council Chair Mel Rapozo, Kaua'i County Council, transmitting for the Executive Committee's information the Council's approval of the proposed slate of officers for the HSAC Executive Committee for the 2015-2016 term.

There being no discussion, a motion was made, seconded and approved to receive the item.

- C. Communication (June 3, 2015) from Council Chair Mel Rapozo, Kaua'i County Council, transmitting for the Executive Committee's information the Council's approval of the board of director nominations for NACo and WIR for the 2015-2016 term.

There being no discussion, a motion was made, seconded and approved to receive the item.

- D. Communication (June 5, 2015) from Deputy County Clerk Josiah K. Nishita, County of Maui, transmitting for the Executive Committee's information Resolution No. 15-59, Approving The Hawai'i State Association Of Counties Officers, Nominees To The National Association Of Counties Board Of Directors And Nominees To The Western Interstate Region Board Of Directors For Fiscal Year 2016, which was adopted by the Maui County Council at its meeting on June 5, 2015.

There being no discussion, a motion was made, seconded and approved to receive the item.

- E. Communication (June 15, 2015) from City Clerk Glen Takahashi, City and County of Honolulu, transmitting for the Executive Committee's information the following Resolutions, which were adopted by the Honolulu City Council at its meeting on June 3, 2015:

1. Resolution No. 15-132 – Approving The Officers Of The Hawai'i State Association Of Counties For Fiscal Year 2015-2016.
2. Resolution No. 15-160 – Concurring With The Hawai'i State Association Of Counties Nominations To The Board Of Directors Of The National Association Of Counties And Approving The Hawai'i

State Association Of Counties Nominations To The Western
Interstate Region For Fiscal Year 2016.

There being no discussion, a motion was made, seconded and approved to receive the item.

- F. Communication (June 15, 2015) from Councilmember Michael P. Victorino, HSAC Treasurer, transmitting for the Executive Committee's approval, a proposal amending Section 5 of the HSAC Bylaws to include term limits of officers, to be effective July 1, 2015.

Treasurer Victorino made a motion to amend the HSAC Bylaws to add term limits to the second paragraph of Section 5 to take effect on July 1, 2015 and to read as follows:

"The term of each officer shall begin on July 1 immediately following the annual meeting at which elected and end on June 30 [of the subsequent year] two years thereafter. No officer shall hold the same position for more than four consecutive years."

(At 6:39 p.m., President Rapozo called for a recess to ensure that all HSAC officers had a copy of the proposed amendment. At 6:40 p.m., President Rapozo called the meeting back to order.)

Treasurer Victorino made a new motion to amend the first motion so that the new proposed amendment changes the word "officer" in line 3 to the word "county." The new proposed amendment shall read as follows:

"The term of each officer shall begin on July 1 immediately following the annual meeting at which elected and end on June 30 [of the subsequent year] two years thereafter. No county shall hold the same position for more than four consecutive years."

Treasurer Victorino clarified that the intent is for no county, rather than an officer, to hold the same position for more than four consecutive years. Since the HSAC officer position is assigned to the county and not to an individual, this change would ensure that no county, regardless of the individual holding the position, would be assigned the same position for more than four consecutive years.

This motion, to amend the first motion, was seconded and approved.

On the motion to amend the Bylaws, a discussion ensued with Vice President Onishi stating that his preference would be to institutionalize the rotation of positions in the Bylaws. President Rapozo and Treasurer

Victorino noted that by providing flexibility to the sitting officers to determine the rotation, you would avoid a situation where a new inexperienced HSAC delegate would be forced to, say, assume the HSAC presidency because it's institutionalized in the Bylaws. Vice President Onishi noted that in the past, similar situations have occurred where inexperienced officers were installed, and it all worked out and, in fact, worked out well. The discussion continued for a short period of time, with the result that the motion to amend the Bylaws, as amended to change the word "officer" to "county," was approved.

- G. Communication (June 16, 2015) from Councilmember Dennis "Fresh" Onishi, Hawai'i County Council, informing the Executive Committee that Resolution No. 197-15, A Resolution Approving The Hawai'i State Association Of Counties Executive Committee Slate For Fiscal Year 2015-2016, failed approval before the Hawaii County Council.

Vice President Onishi explained that he wanted the Bylaws amended and approved before approving the HSAC slate of officers for FY 2016. Because this did not occur, items such as term limits and rotations were not addressed prior to the proposed HSAC slate of officers. This is the reason Vice President Onishi informed his fellow County Councilmembers that he would not be supporting Resolution No. 197-15, which ultimately resulted in its failure.

President Rapozo stated that the plan is to defer action on Resolution No. 197-15 at the General Membership meeting immediately following the ongoing Executive Committee meeting and to request that the Hawaii County Council reconsider Resolution No. 197-15 now that the Bylaws have been amended to address term limits. Secretary Anderson also urged the Hawaii County Council to reconsider Resolution No. 197-15. Vice President Onishi noted that a problem may arise since his understanding is that a Resolution that has failed the Hawaii County Council cannot be brought back to the Council. He further noted that reconsideration can only occur if a member voting with the majority changes his or her mind and reconsiders their vote within five days. President Rapozo noted that each county has its own rules and directed Vice President Onishi to get a ruling from the Hawaii County Corporation Counsel's Office and report back to him before the next scheduled Executive Committee meeting.

There being no further discussion, a motion was made, seconded and approved to receive the item.

- H. Discussion and consideration of nominations to the NACo Steering Committees.

President Rapozo noted that Honolulu Councilmember Trevor Ozawa applied to be a member of the Large Urban Caucus Committee (LUCC), and further noted that Hawaii has never had a representative on the LUCC. Treasurer Victorino stated that since membership on the LUCC is automatic, it does not require the approval of the NACo President.

There being no further discussion, a motion was made, seconded and approved to receive the item.

VI. ANNOUNCEMENTS

- A. Schedule the next meeting:

Wednesday, July 29, 2015, Honolulu Hale Committee Room, 10:00 a.m.

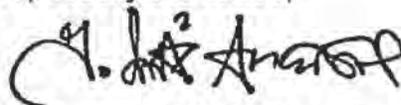
- B. Other announcements.

President Rapozo asked for and declared that there were no announcements.

VII. ADJOURNMENT

The meeting was adjourned at 7:06 p.m.

Respectfully submitted,



IKAIKA ANDERSON, Secretary
Hawaii State Association of Counties

Hawaii State Association of Counties
REVENUES COLLECTED AND EXPENSES PAID
 Period: June 1, 2015 through June 30, 2015

BEGINNING BALANCE				\$ 143,816.85
	Current Period	FY 2015	FY 2015	
	June	Year to Date	Budget	
REVENUES				
Membership Fees	\$0.00	\$43,680.00	\$43,680.00	
Conference Income	\$0.00	\$45,263.67	\$10,000.00	
Interest Income	\$2.37	\$31.92	\$28.00	
Corporate Sponsorship	\$0.00	\$0.00	\$0.00	
Miscellaneous	\$180.00	\$180.00	\$0.00	
NACo Prescription Drug	\$0.00	\$4,434.80	\$12,000.00	
Fund Balance, prior FY	\$0.00	\$0.00	\$107,164.00	
Total	\$182.37	\$93,590.39	\$172,872.00	
Total Receipts This Period				\$182.37
EXPENSES				
Executive Committee				
Travel-Air and Ground	\$209.00	\$9,363.83	\$15,500.00	
Auditing Services	\$0.00	\$4,682.29	\$4,500.00	
Stationery	\$0.00	\$0.00	\$150.00	
Miscellaneous	\$0.00	\$3,153.20	\$2,000.00	
Online Quickbooks Monthly Fee	\$41.55	\$498.60	\$500.00	
Special Committees				
Travel	\$0.00	\$0.00	\$500.00	
Miscellaneous	\$0.00	\$0.00	\$100.00	
NACo				
Board Travel-Air and Ground	\$396.80	\$12,863.47	\$18,000.00	
Steering Committees Travel-Air and Ground	\$0.00	\$1,282.20	\$6,000.00	
Promotional	\$0.00	\$0.00	\$250.00	
Dues	\$0.00	\$26,751.00	\$27,268.00	
Miscellaneous	\$0.00	\$867.55	\$1,000.00	
WIR				
WIR Travel-Air and Ground	\$236.20	\$3,890.00	\$9,000.00	
WIR Promotional	\$0.00	\$4,953.73	\$9,250.00	
WIR Dues	\$0.00	\$3,506.00	\$3,804.00	
WIR Miscellaneous	\$0.00	\$0.00	\$1,000.00	
WIR 2015 Conference	\$0.00	\$265.36	\$12,755.00	
OTHER				
Adjustments for Travel and Related Expenses	\$0.00	\$0.00	\$7,795.00	
National Conference Fund	\$0.00	\$10,000.00	\$40,000.00	
Prescription Drug Scholarship Program	\$0.00	\$0.00	\$7,500.00	
County Leadership Institute Attendee	\$0.00	\$0.00	\$3,000.00	
Prescription Drug Promotion	\$0.00	\$0.00	\$3,000.00	
Total	\$883.55	\$82,077.23	\$172,872.00	
Total Expenses This Period				\$883.55
ENDING BALANCE				\$ 143,115.67

ocs:proj:hsac:FY2015:15tr:1506tr.mkz

Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

www.hicounties.com



MINUTES
HSAC EXECUTIVE COMMITTEE MEETING
April 21, 2016
Honolulu Hale, Committee Meeting Room
530 South King Street
Honolulu, Hawai'i 96813

I. CALL TO ORDER

The HSAC Executive Committee was called to order by HSAC President and County of Maui Councilmember Michael Victorino at 10:05 a.m. The following members comprising a quorum were present:

County of Maui:	President Michael Victorino, County of Maui Councilmember
County of Hawai'i:	Vice President Dennis "Fresh" Onishi, County of Hawai'i Councilmember
County of Kaua'i:	Secretary Ross Kagawa (Alternate), County of Kaua'i Council Vice Chair
City and County of Honolulu:	Treasurer Ikaika Anderson, City and County of Honolulu Council Vice Chair
Others Present:	Gladys C. Baisa, County of Maui Councilmember Honolulu staff Lisa-Ann Kimura, Staff Attorney, Office of Council Services; Honolulu staff Brandon Mitsuda, Council Liaison, Honolulu City Council Administrative Support Services; Honolulu staff Francisco Figueiredo, Legislative Aide, Office of Councilmember Ikaika Anderson; Maui staff Kit Zulueta, Communication Director, Office of Council Services; Kaua'i staff Aida Kawamura, Legislative Assistant, Council Services Division.



II. APPROVAL OF AGENDA

There being no objections, the Agenda was approved as circulated.

III. MINUTES

- A. Minutes of the March 8, 2016 HSAC Executive Committee meeting, as submitted by the HSAC Secretary.

Vice President Onishi moved for approval of the Minutes of the March 8, 2016 HSAC Executive Committee Meeting, seconded by Treasurer Anderson, and unanimously carried.

IV. REPORTS

A. Treasurer's Report

1. Treasurer's Report for the month of February 2016, as submitted by the HSAC Treasurer.

Treasurer Anderson noted that the account balance beginning in February 2016 was \$218,579.66, and with expenditures of \$1,829.04, ended the month with a balance of \$216,754.08.

2. Treasurer's Report for the month of March 2016, as submitted by the HSAC Treasurer.

Treasurer Anderson noted that the account balance beginning in March 2016 was \$216,754.08, and with expenditures of \$3,979.52, ended the month with a balance of \$212,778.20.

Vice President Onishi moved to approve the Treasurer's Reports for February and March 2016, seconded by Secretary Kagawa, and unanimously carried.

B. County Reports

1. City and County of Honolulu Report. Treasurer Anderson reported that Honolulu City Council moved along the budget bills, which includes the legislative budget, the annual capital and operating



budgets, and also the operating and capital budgets for the Honolulu Authority for Rapid Transportation (Rail Authority). The budgets are scheduled for approval by June, pursuant to the County Charter. City Councilmembers are submitting their recommended amendments for improvements within their specific districts for consideration.

2. **County of Hawai'i Report.** Vice President Onishi reported that Hawai'i County Council completed their departmental budget hearings, and the Mayor's second budget is forthcoming sometime in May. Hawai'i County Council held a public hearing on the GET proposal, and received 2 testimonies in favor of the proposal and approximately 15 testimonies against the proposal. Members from the Board of Realtors were the majority who testified in opposition, stating that the impact on "poor" people will be great. The Finance Committee will consider the GET proposal and any proposed amendments at its May 3, 2016 meeting and then forward its recommendation to the full Council. Vice President Onishi stated that development in Hawai'i County is needed to create jobs so that the community can be employed, but there are other factors that prevent developments from occurring. He said that if the GET proposal is approved, it takes effect January 1, 2018, and the next Administration will be responsible for its expenditure. The option of establishing a GET surcharge will not be available after June 30, 2016. Vice President Onishi added that Hawai'i County Council Finance Committee was presented a communication requesting Mayor Billy Kenoi to step down, but the motion received no second and the discussion ended.

3. **County of Kaua'i Report.** Secretary Kagawa reported that the Kaua'i County Council completed its departmental budget reviews, and the Mayor's supplemental budget is expected to be delivered on May 6, 2016. Kaua'i County Council will start its budget decision making on May 12, 2016. Regarding GET, the measure has been amended from a .5% GET surcharge to a .25% GET surcharge, and the bill is deferred in the Budget & Finance Committee until May 11, 2016. Secretary Kagawa noted that Kaua'i County is hopeful for a favorable TAT outcome; if not, several Councilmembers may want to consider changing the real property tax rate on transient accommodations to raise approximately \$12.5 million. Secretary Kagawa shared that he read a *Honolulu Star Advertiser* article about residents in the



State of Hawai'i paying the second highest combined tax rates across the nation, but that Hawai'i has the second lowest real property taxes. The Kaua'i County Council deferred action on a proposal to prohibit smoking in vehicles, similar to the law in Hawai'i County, and is awaiting the Legislature's action on a statewide law to prohibit smoking in vehicles.

President Victorino commented that enforcement of a no smoking law would fall on local police departments, paid for by the County, not the State, along with existing laws already being enforced. Vice Chair Onishi stated that when Hawai'i County adopted its no smoking law, there was no law that prohibited minors from abusing tobacco products. Senator Glenn Wakai introduced State law that passed last year that established penalties for tobacco use for individuals under the age of 21.

Councilmember Gladys Baisa, County of Maui, informed that the County of Maui is currently defending a suit brought against it by timeshare owners on Maui claiming no rational nexus for the increase in their real property tax rates. Vice Chair Onishi noted that he also considered raising real property tax rates on hotel/resorts on the Big Island. President Victorino stated that in 1964, the State assumed responsibility for schools, hospitals, and the judiciary. On Maui, it costs almost \$17 million to run the court system. The reason for the lower real property tax rates in Hawai'i is that the counties do not pay for the schools, hospitals, the judiciary, jail, etc., like other NACo member counties do. This information is important when comparing real property tax rates with other municipalities. Treasurer Anderson added that schools in Hawai'i sit on county lands, but the counties do not collect real property taxes on these lands, thereby restricting the counties' revenue generating ability. Additionally, State sheriffs have the ability to issue citations and eliminate the need for county police to address minor infractions on State roadways.

4. County of Maui Report. President Victorino reported that Maui County Council is also conducting departmental budget reviews, and each member may submit their recommended amendments. A flyer detailing the schedule of district meetings to discuss the proposed Maui County budget was distributed, and the Council will hold a public hearing on real property tax rates on April 21, 2016. The Lāna'i Community Plan is projected to be approved in



June 2016, and the Moloka'i Community Plan is the next project. The special committee discussing the County Manager system is awaiting a report from the advisory committee before finalizing its report to the full Council, which has until June 11, 2016 to make a decision. Finally, discussion regarding establishing a surcharge on GET is necessary as a means to educate the public on this matter.

A raise for Bargaining Unit 14, ocean safety officers, was discussed. President Victorino stated that Maui County has some concerns regarding the cost items and step movement increases included in the agreement. Secretary Kagawa brought up a discussion regarding budgeting for police and fire overtime, which is somewhat abused. Maui County Council has challenged similar issues, and has cut out most of the premium pay amount, which necessitates the department having to come back to the Council to seek approval of a budget amendment if additional funds are needed. For special events on Maui, the event organizer contracts and pays for the police service, unless it is a county-sponsored event. On the Big Island, event organizers pay for the police and it is classified as a separate "special duty pay." Depending on the event, Honolulu places the financial burden of requiring a police officer's presence on the organization requesting the permit.

Vice President Onishi moved for approval of the county reports, seconded by Secretary Kagawa, and unanimously carried.

C. National Association of Counties (NACo) Report

Prior to receiving the NACo report, President Victorino announced that incoming NACo President Bryan Desloge is requesting that interested members submit their applications to serve on any NACo committee or standing committee by June 3, 2016. President Victorino requested to be informed of any applications being submitted.

There was no NACo report.

D. Western Interstate Region (WIR) Report

- a. Memo dated March 18, 2016, as submitted by WIR Representatives Mike White and Daniel Paleka, relating to the WIR Board of Directors Meeting at the 2016 NACo Legislative Conference.



Vice President Onishi moved to approve the WIR report, as submitted by WIR Representatives Mike White and Daniel Paleka, seconded by Treasurer Anderson, and unanimously carried.

President Victorino announced that the WIR Conference is scheduled for May 25-27, 2016, in Teton County, Jackson Hole, Wyoming.

President Victorino also expressed the need for a future discussion regarding designating alternate representatives to NACo and WIR.

V. NEW BUSINESS

- A. Correspondence from the Kaua'i County Clerk, submitting Kaua'i County Council Resolution 2016-34, appointing Mel Rapozo as the HSAC Representative and Ross Kagawa as alternate, and nominating KipuKai Kualii to serve on the NACo Board of Directors.

Secretary Kagawa moved to receive the communication for the record, seconded by Treasurer Anderson, and unanimously carried.

- B. Proposed resolution before the Hawai'i County Council appointing Dennis "Fresh" Onishi as HSAC Representative and Daniel Paleka as alternate, and nominating Daniel Paleka to serve on the WIR Board of Directors.

Vice President Onishi reported that Hawai'i County Council adopted the proposed resolution.

Secretary Kagawa moved to receive the communication for the record, seconded by Treasurer Anderson, and unanimously carried.

- C. Correspondence from the Maui County Clerk, submitting Maui County Council Resolution 16-66, appointing Michael P. Victorino as the HSAC Representative and Gladys C. Baisa as alternate.

Secretary Kagawa moved to receive the communication for the record, seconded by Treasurer Anderson, and unanimously carried.

- D. Correspondence from the Honolulu City Clerk, submitting Honolulu City Council Resolution 16-66, appointing Ikaika Anderson as the HSAC Representative and Joey Manahan as alternate.



Secretary Kagawa moved to receive the communication for the record, seconded by Treasurer Anderson, and unanimously carried.

- E. Correspondence from HSAC President Michael P. Victorino, relating to the Executive Committee's nominations for NACo and WIR Board of Director positions.

Secretary Kagawa moved to receive the communication for the record, seconded by Treasurer Anderson, and unanimously carried.

- F. Correspondence from HSAC Treasurer Ikaika Anderson, relating to the proposed Fiscal Year 2017 HSAC Annual Budget.

President Victorino noted that he discussed the proposed budget with Treasurer Anderson. WIR promotion and WIR 2015 Conference were deleted, and the remaining funds in those accounts were appropriated to other line items.

Vice President Onishi moved for approval of the proposed Fiscal Year HSAC 2017 budget, seconded by Secretary Kagawa, and unanimously carried.

VI. UNFINISHED BUSINESS

- A. State Legislature update and discussion on lobbying efforts

President Victorino stated his belief that HSAC has done everything it needed to do, and there is not much else to do. There is not unanimous consent from HSAC, the mayors, and the council chairs to continue lobbying efforts with a unified message. Any future lobbying will be done individually. President Victorino thanked everyone for their hard work and for participating in HSAC's lobbying efforts.

Treasurer Anderson reported that both Senate President Ron Kouchi and WAM Chair Jill Tokuda expressed their surprise and somewhat displeasure with not being aware that other individuals were going to be included in a meeting requested by Treasurer Anderson. Treasurer Anderson stated that the meeting's agenda was an issue of importance and concern to each individual who was present, so he could not deny anyone's presence at the meeting. He felt that HSAC and HCOM were correct in focusing the discussion on that TAT is a visitor industry-generated tax and that the tax was always intended to offset the financial



burden that the visitor places on each government entity—the state and the county. The counties rely on the state to collect the TAT taxes and redistribute to the counties their share. HSAC was very respectful when requesting that legislators reconsider allocation of TAT to the counties. At the end of the day, the legislators have chosen to mix the discussion surrounding TAT in the gamut of all taxes. Treasurer Anderson suggested that HSAC do everything possible to continue to engage the legislature in this dialogue during the upcoming interim.

President Victorino recommended that HSAC begin working on issues as soon as the Legislature adjourns. Possible major issues of focus are TAT, beach liability, and a couple others. He requested that a meeting session be scheduled that allows all of Hawai'i's councilmembers to participate, express their concerns and views, and to find out what is the consensus of the counties on the various issues.

From listening to the discussions with the legislators, Vice President Onishi concluded that the outcome of the TAT to the counties would be \$113,000. The State law that established the TAT needs to be brought forth as a reminder of the purpose of the tax, which supports the counties' argument that it is a tax on the visitor industry. Regarding tort liability, the legislature extends immunity to the counties every two years. What is the underlying problem that prevents the legislators from approving to make the tort liability law permanent for the counties? Treasurer Anderson stated that it is an ongoing struggle between state and county. As an example, former Judiciary Chairman Tommy Waters was unsuccessful during his term in office in trying to award the unadjudicated traffic fines to the counties, which he believed was fair, but was always reminded by his colleagues of the costs to run the court system and public safety.

Secretary Kagawa stated that he was aware that the Working Group's recommendation was not realistic because of sense he got from the Kaua'i delegation. As a compromise, he recommended that State legislators consider awarding to the counties half of the increase recommended by the Working Group to be allocated to the counties. When discussing the issue of establishing a GET surcharge with Representative Tokioka and the approaching deadline, which forces the counties to act somewhat prematurely, Representative Tokioka offered that the Legislature could revisit the law and extend the deadline to allow the counties more time. Secretary Kagawa was hopeful that the Legislature would allocate to the counties more than the \$103,000, and that he will make an effort to



discuss the possibility of extending the GET Surcharge deadline for the counties with Senate President Kouchi.

Councilmember Gladys Baisa offered her observation that Senate President Kouchi's comments regarding meeting with a large group was about not having an opportunity to prepare for the group appropriately, because there were only a few bagels and muffins and an insufficient number of chairs. The group was reminded several times that the state is already giving the counties more, so what is the county doing to take care of things for the state. Councilmember Baisa noted that on Maui, several state programs such as Early Childhood Education are seeking assistance from the county because they cannot service certain 3-5 year old children, and Maui County cannot ignore these types of situations and not provide assistance. Speaker Joe Souki and Finance Chair Sylvia Luke are genuine in wanting to help the counties, and Finance Chair Luke and Ways and Means (WAM) Chair Jill Tokuda have a good relationship. It is hopeful that Finance Chair Luke will lead WAM Chair Tokuda in the right direction for the counties. Councilmember Baisa believed that Senate President Kouchi is supportive of the counties and he mentioned helping the counties in other ways, such as funding county CIP projects. Councilmember Baisa believed that informal talk story sessions with state legislators is necessary to build relationships and understanding amongst each other, and hoped that HSAC will focus and plan for the next legislative session and continue working towards educating and establishing that a decent share of TAT is owed to the counties.

President Victorino agreed with Councilmember Baisa on establishing a continuous lobbying program. HSAC must be proactive and build its relationship with state legislators. President Victorino noted that he would be going to the State Capitol to thank Legislators on behalf of HSAC and the counties for their efforts during this legislative session. He recommended and requested scheduling an open door session for all councilmembers to come and voice their concerns and opinions during the HSAC conference in Kona.

Members discussed continued retention of Becker Communications ("Becker"). Vice President Onishi and Secretary Kagawa felt that additional services were not needed, noting that the session ends May 5, 2016. Treasurer Anderson was in favor of keeping Becker retained. Councilmember Baisa agreed that Becker's services may no longer be needed, but Becker should be available up until there is a final outcome



regarding the TAT in case their assistance is needed. President Victorino noted that Becker is retained on an hourly basis, so if no work is done, there is no charge to HSAC. He requested approval to engage Becker to prepare a final message upon conclusion of the TAT for review by all members prior to its release to the press. There was no opposition to this request.

Regarding the sunshine law amendment measure that was one of HSAC's priorities, President Victorino noted that legislators made drastic changes to the proposed language and the measure now differs from the original intent. He felt that this measure should again be included as a priority for HSAC during the next legislative session.

President Victorino made known his decision regarding travel expenses related to lobbying for the TAT using funds from the \$10,000 approved by the Executive Committee for lobbying/promotion efforts related to TAT. Travel expenses for one member representing HSAC at any of the meetings with legislators would be covered; travel for mayors or council chairs who were not representing HSAC at the meeting would not be covered. The Executive Committee had no objections to President Victorino's decision.

VII. ANNOUNCEMENTS

A. 2016 Hawai'i State Association of Counties Annual Conference update

Vice President Onishi reported that the 2016 Conference Website is up and participants may begin to submit their registrations. Website links for air travel and lodging are available on the conference website. Hawaiian Air is a sponsor of the conference, and using the code MEETINHAWAII will result in a \$60 discount off of a roundtrip fare. Hotel reservations may also be made by calling the Sheraton Kona Resort at Keauhou; mention "HSAC" for the special conference room rate of \$159 per night. Resort and parking fees for conferees staying at the hotel are also waived. An invitation to attend the conference was sent via an e-mail blast to Hawai'i's legislators, Governor David Ige, Lt. Governor Shan Tsutsui, NACo President Sally Clark, NACo Executive Director Matt Chase, Councilmember Hokama's friend in Washington D.C., as well as to all Hawai'i county mayors and their department heads, and all Hawai'i councilmembers. Past conferees and other potential conferees will also receive an invitation to the conference. President Victorino noted that he would send a formal written invitation to the foregoing



group to attend the 2016 HSAC conference on the Big Island. Vice President Onishi requested assistance for obtaining at least two conference sponsorships from each island.

Vice President Onishi reviewed the conference scheduling and requested confirmation of the Councilmembers attending in order to plan a talk story session for when a majority of all Councilmembers can participate. He noted that due to this being an election year, some Councilmembers might choose not to attend the conference. Vice President Onishi said that he and Hawai'i County Council Chair Dru Kanuha need to leave the hotel site at 11:30 a.m. on Wednesday, after the HSAC General Membership Meeting.

B. Scheduling of the next meeting

The next HSAC Executive Committee meeting is tentative scheduled for Tuesday, May 31, 2016, at 10 a.m. in Honolulu, with an alternate date of Monday, May 23, 2016, if necessary.

C. Other announcements

There were no other announcements.

VIII. ADJOURNMENT

The meeting was adjourned at 12:15 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mel Rapozo".

MEL RAPOZO, Secretary
Hawai'i State Association of Counties

Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

www.hicounties.com



MINUTES
HSAC EXECUTIVE COMMITTEE MEETING
March 8, 2016
Honolulu Hale, Committee Meeting Room
530 South King Street
Honolulu, Hawai'i 96813

I. CALL TO ORDER

The HSAC Executive Committee was called to order by HSAC President and County of Maui Councilmember Michael Victorino at 10:18 a.m. The following members comprising a quorum were present:

County of Maui:

President Michael Victorino,
County of Maui Councilmember

County of Hawai'i:

Vice President Dennis "Fresh" Onishi,
County of Hawai'i Councilmember

County of Kaua'i:

Secretary Mel Rapozo,
County of Kaua'i Council Chair

City and County of Honolulu:

Treasurer Ikaika Anderson,
City and County of Honolulu Council
Vice Chair

Others Present:

Riki Hokama, County of Maui
Councilmember

Honolulu staff Lisa-Ann Kimura,
Legislative Analyst, Office of Council
Services;

Honolulu staff Brandon Mitsuda,
Council Liaison, Honolulu City
Council Administrative Support
Services;

Honolulu staff Francisco Figueiredo,
Legislative Aide, Office of
Councilmember Ikaika Anderson;



Maui staff Kit Zulueta, Communication Director, Office of Council Services;
Kaua'i staff Aida Kawamura, Legislative Assistant, Council Services Division.

II. APPROVAL OF AGENDA

There being no objections, the Agenda was approved.

III. MINUTES

- A. Minutes of the February 12, 2016 HSAC Executive Committee meeting, as submitted by the HSAC Secretary.

Secretary Rapozo moved for approval of the Minutes of the February 12, 2016 HSAC Executive Committee Meeting, seconded by Vice President Onishi, and unanimously carried.

IV. REPORTS

- A. Treasurer's Report

There was no Treasurer's Report.

- B. County Reports

1. City & County of Honolulu Report. Treasurer Anderson reported that Honolulu City Council passed on Second Reading Bill 3, Relating to the Building Code, which requires transparent construction windows to be placed on construction wall barriers around construction sites; residential construction projects are exempt from this ordinance.

Bill 6, Relating to Nonconforming Use Certificates (NCU), provides a one-time relief for those owners of Bed & Breakfasts and Transient Vacation units who lost their NCU certificates solely for failing to apply for renewal via the City's newly automated system. New NCU certificates have not been issued since 1990. Bill 6 has been reported out for adoption by the full Council.



The Council adopted Resolution 15-29, CD1, requesting the adoption and presentation to the Council of new editions of the International Building Code. The Zoning & Planning Committee received an extensive briefing by the Department of Planning and Permitting on transit-oriented development infrastructure. The Council hosted the President and Council Members from the Guangzhou City Council in Korea. The City Council is also working with cities such as Nagaoka, Japan toward strengthening the relationships between municipalities and preparing for the upcoming Honolulu Festival scheduled for March 11-13, 2016.

2. Hawai'i County Report. Vice President Onishi reported that Hawai'i County Council is considering a proposal for a Charter Amendment to limit Councilmembers to serving 12-year terms of either three 4-year terms or six 2-year terms. The matter has been postponed pending an implementation date to take into consideration present Councilmembers. Mayor Kenoi has submitted his budget and the Council will begin hearings next month with the different departments.
3. Kaua'i County Report. Secretary Rapozo reported that the Council is entertaining a Bill which would restrict Bed & Breakfasts (B&Bs) to designated visitor destination areas (VDA) and not to allow B&Bs in residential or on ag properties; the bill is scheduled for public hearing. Regarding taxes, the State is trying to tax its residents and visitors more, as well as is the County of Kaua'i. Councilmember Yukimura introduced a .25% GET bill for the bus and a proposed increase in fuel tax of 15¢/gallon and an increase in motor vehicle weight tax of 3.38¢. The Council is awaiting the submittal of the budget by Mayor Carvalho, and the Council held its second workshop to discuss the county manager amendment, which is moving along as well.
4. County of Maui Report. President Victorino reported that the Special Committee on Governance has scheduled a meeting to take place at the University of Hawai'i Maui College to accommodate public participation. A Special Committee and Council Meeting on Lāna'i to approve the Lāna'i Community Plan will take place on Saturday. The Budget & Finance Committee is currently considering ag property tax rates (BF 70), which drew wide opposition from the community. This bill is an attempt to address



parity and fairness with ag property tax assessments. The Planning Committee also recommended passage of a revised short-term rental bill, which proposes a better method of working with short-term rentals. Mayor Arakawa will be sending over his budget as of March 21, 2016 and the Council will start working diligently conducting meetings throughout the communities. Lastly, the first 95 employees of the 675 Hawaiian Cane & Sugar employees were officially laid-off from work yesterday (March 7, 2016). The last harvest of sugarcane has started, and anticipated to conclude by December 2016. This is the last active plantation in the entire state, and the County of Maui is hopeful it will find other alternatives to keep most of that land in agriculture.

In response to a query, President Victorino reported that the plantation closed down for financial reasons. HC&S was able to survive 15 years past the closing of the last plantation on Kaua'i in 2001, but has found it no longer feasible to continue operations. HC&S projected \$31 million in losses for 2016. At one point in time, HC&S generated 14% of Maui Electric Company's (MECo) power from burning bagasse and coal; that percentage has decreased to 4.5% and resulted in a huge loss in financial compensation to HC&S. A lot of factors added to HC&S' decision to close its operations on Maui.

There being no further discussion, Treasurer Anderson moved to approve the reports from the counties, seconded by Vice President Onishi, and unanimously carried.

C. National Association of Counties (NACo) Report

Treasurer Anderson noted that a detailed report will be submitted in writing. He noted that during the board meeting, Chris Rodgers stepped in as the information technology chair due to an unexpected vacancy. Mr. Rodgers explained that NACo Immediate Past President Riki Hokama issued a challenge to the executive committee to increase NACo membership across the country in all counties. Mr. Rodgers from the State of Nebraska has accepted that challenge, and has asked for kōkua from other county elected officials and commissioners to join him in meeting that challenge. The upcoming annual conference will be held in Long Beach in July. Vice President Onishi added that a board meeting is scheduled in Jackson Hole, Wyoming, on May 25-27, 2016.



Riki Hokama, NACo Immediate Past President and Maui County Councilmember, added that Hawai'i is part of the western region and is represented by Lesley Robinson from Montana. Ms. Robinson will serve as representative until December when she will be leaving the county to run for the Lt. Governor's seat at the request of Montana's current Governor, and there will be an election to fill her seat for the remaining term. A total of 15 states make up the western region, with each state having one vote. Mike White and Danny Paleka currently represent Hawai'i at WIR, and Hawai'i has a chance to fill Ms. Robinson's seat. He asked to be informed of any interest by any of the members to serve on the executive committee.

Treasurer Anderson moved to accept the NACo report, seconded by Secretary Rapozo, and unanimously carried.

D. WIR Report

There was no WIR Report.

President Victorino distributed a Report on the Legislative Visits at Washington D.C. (see attachment hereto) detailing the representatives present and the topics discussed. He thanked Troy Hashimoto, Maui staff member, who compiled the information in the report.

Secretary Rapozo moved to accept the legislative report, seconded by Vice President Onishi, and unanimously carried.

V. NEW BUSINESS

A. 2016 Hawai'i State Association of Counties Annual Conference update.

Vice President Onishi distributed a flyer, noting that the theme of the conference is "Winds, Waves, and Fire... Counties on the Forefront." The conference dates are June 22-24, 2016 at the Sheraton Kona Resort and Spa at Keauhou Bay. Donations are slowly coming in. FireEye is a major sponsor of the conference and donating approximately \$20,000. Room rates for conferees at Sheraton Kona Resort is \$159 per night, and they will give first priority of oceanfront rooms to conference participants, as well as exempt the resort and parking fees. Hawaiian Airlines has been requested to sponsor the conference. Ann Botticelli is working on



the details of possibly allowing special rates for travel or providing air travel tickets. If Hawaiian Airlines will be giving air travel tickets, Vice President Onishi will ask for 25-30 roundtrip tickets for golf prizes and random drawings during the conference. Hawai'i County Council Chair Dru Kanuha is in charge of entertainment. Golf at Kohanaiki is \$60/person and is limited to 55 conference participants.

Mr. Hokama requested consideration for scheduling a workshop regarding real property, which is a common topic among the counties, so that assessors and real property tax persons have a connection to the conference for purposes of attending. Vice President Onishi noted that the conference workshop schedule was finalized on February 23, 2016.

Treasurer Anderson moved to accept the 2016 Hawai'i State Association of Counties Conference report, seconded by Vice President Onishi, and unanimously carried.

VI. UNFINISHED BUSINESS

A. State Legislature update and discussion on lobbying efforts.

President Victorino stated that the following measures in the HSAC package are still alive at the Legislature: SB 2121 SD1, SB 2123 SD1, and SCR 22. HSAC is also tracking what happens with SB 2987.

SB 2121, SD1, Maui County's proposal for amendments to the Sunshine Law, is scheduled for hearing at the Legislature today. There is opposition to making any changes to the current law.

SB 2123 SD1, relating to zoning. Representative Angus McKelvey believes there is merit to this proposal, which is currently before the Senate. This bill is also scheduled for hearing at the Legislature today.

SCR 22, Urging Hawaii's Congressional Delegation To Propose And Pass A Proposed Amendment To The United States Constitution Clarifying That Corporations Are Not People With Constitutional Rights, And That Unlimited Campaign Spending Is Not Free Speech, was initiated by Hawai'i County. Each county has passed similar resolutions, as well as the Legislature. This measure has a hearing scheduled for March 10, 2016.



Secretary Rapozo asked for an update regarding the beach liability, which is a top priority of all counties. Maui Staff Kit Zulueta reported that both measures relating to tort liability are dead in the House and the Senate.

SB 2987. President Victorino noted that according to Senator Tokuda, it is the Legislature's way of helping the counties by increasing the appropriations from the TAT to the counties by \$103 million and keeping it permanent until July 1, 2022. The legislators are not taking into consideration the recommendations of the Working Group or any comments from the counties. Maui County Council has adopted a resolution opposing SB 2987 and putting forth their recommendation for a fair share of the TAT to the counties.

Secretary Rapozo reported speaking with Senator Tokuda, who believes SB 2987 is a great compromise. Representative Luke has mentioned proposing a different allocation. He recommended that HSAC prepare a presentation regarding the TAT funding that will be easily understood by the general public, and highlighting the legislators opposing the fair share allocation to the counties. This presentation can be shared on each island via community meetings. Secretary Rapozo stated that there is no desire by State Legislators to work with the counties on this TAT issue.

Vice President Onishi acknowledged that the TAT issue needs to be addressed, and the public should get involved at this point. It is important that the presentation identify those County services that would be funded with TAT revenue and the resulting impact on residents, such as increased taxes, from not receiving more TAT funds. The counties have always found ways of funding services so that the public does not feel the impact. The mayors and councils need to be steadfast in their belief and statements regarding curtailing costs for services provided on State property or for State purposes.

Councilmember Riki Hokama, Maui County Council, provided additional information that the State will no longer be able to collect internet sales tax which amounted to \$150 million in revenue, due to the recent ban on internet sales tax. Secondly, the State needs to fund the collective bargaining increases it helped to negotiate for State employees. He recommended explaining to the community that visitors already pay transient accommodation taxes (TAT). TAT was established to offset the Counties' expenses for services the visitor enjoys during their vacation in



the islands, but the State chooses not to reimburse the counties for their expenses. And if the counties want to continue the level of services it provides for its visitors, the community needs to pay additional funds, i.e., taxes, to further subsidize the visitor, because this is what the State is forcing the counties to do.

President Victorino proposed allocating \$10,000 for the purpose of promotions (which includes related travel costs) to inform the public about the actual benefits of receiving the TAT and the drawbacks of not receiving the TAT, and what it is costing the residents in direct costs. He also asked for clarification of HSAC's position with respect to SB 2987. Secretary Rapozo noted that he submitted testimony in opposition to SB 2987, and believes that President Victorino also sent testimony opposing the measure.

Secretary Rapozo moved to authorize allocating \$10,000 to lobby for TAT, seconded by Treasurer Anderson.

Vice President Onishi noted that more action is needed by the counties, and possibly consider a reduction of certain services because of the expenses involved. The Counties should be adding to their rainy day fund, but the bulk of county revenues are going towards these expenses and the collective bargaining increases. Fire and police services should also be compensated for their services to the visitors. The public needs to get upset at what is happening and speak up in support of the State giving the counties more TAT money.

Secretary Rapozo did not feel that reducing services was appropriate, and said that the general public does not really understand the issue of the TAT. He recommended that each county administration be requested to submit a list of services that will be cut/reduced because of the Legislature's actions regarding the TAT.

The motion to authorize allocation of \$10,000 to lobby for TAT was put, and unanimously carried.

Secretary Rapozo recommended scheduling another strategy session with the Council of Mayors to discuss TAT lobbying efforts. The meeting was tentatively scheduled for March 22, 2016 at 10 a.m. in Honolulu, pending the availability of the Mayors.



VII. ANNOUNCEMENTS

A. Schedule the next meeting

The next HSAC Executive Committee meeting will be held on Thursday, April 21, 2016, at 10 a.m. in Honolulu.

B. Other announcements

There were no other announcements.

VII. ADJOURNMENT

The meeting was adjourned at 11:55 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mel Rapozo", is written over a light blue circular stamp.

MEL RAPOZO, Secretary
Hawai'i State Association of Counties

Meeting summary with U.S. Representative Tulsi Gabbard
w/ Hawaii State Association of Counties
February 24, 2016

HSAC Attending: Mike White, Michael Victorino, Troy Hashimoto (Staff)

Gabbard Staffers: Kainoa Penaroza, Chief of Staff; Anthony Ching, Senior Legislative Assistant

- **White:** The closure of HC&S is one of the biggest issues facing our community -interested in thoughts on possibly federal response.
- **Gabbard:** Labor is most obvious place - looking at whatever programs is available - one idea is to see what proof, declaration to be met to qualify under globalization - if you look at as a whole - why have small sugar industry. What is the correlation in order to say yes, of an entire job market moved to a different market. Workforce development grants are available but we are still in search phase and working with Brian and Mark.
- **White:** Feel need to be pushing faster on pre-clearance on flights to Narita and Maui and to establish customs operation on Maui. Pre-clearance seems like better option; not competition with Kona - want to work in concert. Had some discussions with Big Island, ok giving up on Hilo International Airport. Rental car facility being constructed. Don't want to mess with internationalization as people like Isaac Hall pulling the plug. But with HC&S and Makena closing down - need to push it further a little quicker.
- Doing an EIS is currently the challenge for Maui to move forward. That is why pre-clearance is much easier. Oahu has healthy occupancy, but neighbor Islands are lagging and are in need of assistance. Biggest issue is the time it takes to get through customs, coupled with Japan and Korea, once they get to Honolulu, they not only have challenge of customs, but won't do interline of baggage. Hawaiian is charging \$300 to \$500 roundtrip for handling of baggage. 8-10 years ago had 300,000 visitors on an annual basis, but time and interconnect costs is staggering.
- Maui doesn't have the correct permitting for injection wells. 5,600 injection wells throughout Hawaii. Challenge is taking water and injecting it is a bad thing, but if you reuse water, you would put it 100 ft from ocean. Takes a minute to drain 11 feet. A lawsuit filed for earth justice, left to the clean water act and not the safe drinking water act. Applied for permit in 2012 and still haven't gotten it. In the appeals

Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

www.hicounties.com



MINUTES
HSAC EXECUTIVE COMMITTEE MEETING
February 12, 2016
Honolulu Hale, Committee Meeting Room
530 South King Street
Honolulu, Hawai'i 96813

I. CALL TO ORDER

The HSAC Executive Committee was called to order by HSAC President and County of Maui Councilmember Michael Victorino at 10:18 a.m. The following members comprising a quorum were present:

County of Maui:	President Michael Victorino, County of Maui Councilmember
County of Hawai'i:	Vice President Dennis "Fresh" Onishi, County of Hawai'i Councilmember
County of Kaua'i:	Secretary Mel Rapozo, County of Kaua'i Council Chair
City and County of Honolulu:	Treasurer Ikaika Anderson, City and County of Honolulu Council Vice Chair
Others Present:	Councilmember Gladys Baisa, County of Maui
	Honolulu staff Lisa-Ann Kimura, Legislative Analyst, Office of Council Services;
	Honolulu staff Brandon Mitsuda, Council Liaison, Honolulu City Council Administrative Support Services;
	Honolulu staff Francisco Figueiredo, Legislative Aide, Office of Councilmember Ikaika Anderson;



Maui staff Kit Zulueta, Communication
Director, Office of Council Services;
Maui staff Nicole Kahinu, Office of
Council Services;
Kaua'i staff Aida Kawamura, Legislative
Assistant, Council Services Division.

II. APPROVAL OF AGENDA

Treasurer Anderson moved for approval of the Agenda as submitted, seconded by Secretary Rapozo, and unanimously carried.

III. MINUTES

President Victorino noted that the HSAC Executive Committee, at its meeting on January 19, 2016, approved New Business Item D, transfer of signatories from Maui County to Hawai'i County, but it did not reflect the names of the designated signatories. To assist Hawai'i County with their conference planning, President Victorino issued an authorization letter to comply with Bank of Hawai'i's requirement for authorization of names as account signatories.

President Victorino recommended that the Minutes of the January 19, 2016 HSAC Executive Committee meeting be amended to reflect approval of authorized bank signatories as follows:

"V. NEW BUSINESS

* * * * *

- D. Discussion and approval of authorized signatures for the 2016 HSAC Conference Bank Account.

The Committee approved authorization of Dennis "Fresh" Onishi, HSAC Vice President, and Susan Caseria, Legislative Specialist-Legislative Research Branch, County of Hawai'i, as bank signatories for the 2016 HSAC Conference Bank Account.

~~[There being no discussion, a]~~ A motion was made, seconded, and approved to approve the item."



Treasurer Anderson moved to amend the Minutes of the January 19, 2016 HSAC Executive Meeting as stated, seconded by Vice President Onishi, and unanimously carried.

Vice President Onishi moved for approval of the Minutes of the January 19, 2016 HSAC Executive Committee Meeting as amended, seconded by Treasurer Anderson, and unanimously carried.

IV. REPORTS

A. Treasurer's Report

1. Treasurer's Report for the month of January 2016, as submitted by the HSAC President for the Treasurer.

For the January 2016 report, President Victorino reported revenue of \$1,124 from the NACo Prescription Drug Program, while expenses included Executive Committee travel, WIR travel, and the legislative luncheon, for an ending balance of \$217,468.42. Additionally, staff from Maui County will provide formal training to O'ahu staff to assume the duty of HSAC Treasurer after today's meeting, and a request for reimbursement of travel expenses for this purpose will come up under New Business.

There being no discussion or questions, Secretary Rapozo moved for approval of the report, seconded by Treasurer Anderson, and unanimously carried.

B. County Reports

(The reports were taken out of order to allow Treasurer Anderson time to prepare for his report.)

1. Hawai'i County Report. Vice President Onishi reported that there has not been much happening on the County of Hawai'i, except that their Committee will be discussing a proposed amendment regarding banning the use of Styrofoam at a meeting on Tuesday, February 16, 2016, at which time he anticipates much discussion. Also, Hawai'i County Council is still considering implementing the GET surcharge. Planning of the HSAC Conference is moving along and the conference dates are June 22 – 24, 2016. Sheraton Keahou is confirmed as the hotel site, and the hotel has agreed to offer conferees the same hotel rates for two days prior and two



days after the conference dates. The University of Hilo Conference Committee is assisting with organizing the conference registration, developing the website, and some of the logistics. The Executive Committee Meeting and the General Membership meeting will take place on the first day of the conference. The second day will feature excursions and activities for the conferees and their guests. Conference speakers, dialogue, and questions and answers will take place on the third day.

2. Kaua'i County Report. Secretary Rapozo reported that Kaua'i County is quiet as well. The GET matter was deferred in committee, and it does not look like it will receive support from the full Council. The Council is reconsidering its position regarding the TAT, based on the actions of the Legislature, which will be discussed in length later during the legislative update. Councilmembers will be meeting with Kaua'i's Legislative Delegation on February 14, 2016 to get a sense of their position on the TAT, but it does not look favorable. Maui County's Committee passed a resolution on the matter, which hopefully will be approved by the full Council, and Kaua'i County will be submitting something similar, although not as aggressive and depending on the discussion that takes place on February 14, 2016. Other than that, everyone is preparing for the upcoming budget and waiting to see what happens with the TAT. For Kaua'i, the Council met on Wednesday and a majority of the members feel strongly that the counties need to take a stand on the TAT issue.

3. City and County of Honolulu Report. Treasurer Anderson reported that at the Council Meeting of January 27, 2016, the Council passed on third reading and adopted Bill 23 (2015), Floor Draft 1, relating to the transportation surcharge, which allows for a five year extension of the GET surcharge approved by the Legislature for the rail project, and instituting a cap on the amount of revenue that will be available to the Honolulu Authority for Rapid Transportation. The Council also adopted Resolution 16-2, amending the unit affordability threshold and affordable unit types and other changes for the Kapi'olani affordable and market-rate condominium project near Ala Moana. These units will be marketed at substantially lower prices than neighboring condominiums marketed by Howard Hughes and others, and is a solid component of transit-oriented development, which will go a



long way in providing additional affordable housing to working class residents near the planned transit station at Ala Moana. The Council also adopted Resolution 16-11, Committee Draft 1, authorizing exemption from certain requirements relating to the Kapolei mixed use affordable and market rate housing project. The Council hosted 10 students from the Tsun Jin No. 3 Senior High School in China. The Council is also working on strengthening relationships with Nagaoka City, Japan, in preparation for the upcoming Honolulu Festival on March 11-13, 2016.

Vice President Onishi questioned whether the Federal Government endorsed the cap on the GET. Treasurer Anderson stated that HART CEO Daniel Grabauskus informed the City Council that he contacted Federal Transit Administration, who did not state any objections and were comfortable with the proposal. It is common knowledge that HART is facing a \$1.1 billion shortfall, so every penny derived from the extended GET surcharge should go to the rail project. An option would be to go back to constituents and inform them the Council would be seeking another extension of the surcharge and approval from the Legislature.

4. County of Maui Report. President Victorino reported that the Lānaʻi Community Plan passed on first reading, and a public hearing on Lānaʻi is scheduled for March 12, 2016 to provide the community an opportunity to express concerns or agreement with the plan. On February 9, 2016, the Policy Committee approved the TAT resolution supporting a 50/50 split introduced by Chair Mike White, and will most likely be adopted by the full Council on February 19, 2016. The Council also adopted a Resolution urging the legislature to support a bill for a program to allow cultivation of industrial hemp and distribution of seeds in Hawaiʻi for the purpose of agriculture and academic research. Several transit-related measures advanced, including putting advertising in buses, budget amendments for the Keʻanae Road Repairs in East Maui, and conducting an extensive South Maui Regional Traffic Master Plan. Surf report of big waves at Hoʻokipa and Windmills, and incidents of brush fires. Like its neighbor counties, Maui County is closely watching what happens with the TAT, because of the differences between what the Working Group recommended, what Maui County is pushing for, and what Senate Ways and Means



Chair Jill Tokuda proposed, as well as other legislation regarding the TAT.

There being no further discussion, Vice President Onishi moved to approve the reports from the counties, seconded by Secretary Rapozo, and unanimously carried.

C. National Association of Counties (NACo) Report

President Victorino noted that the Legislative Conference is scheduled for February 20 – 24, 2016. The following Councilmembers are scheduled to attend: Hawai'i County – Councilmember Dennis "Fresh" Onishi, Councilmember Danny Paleka; Kaua'i County – Councilmember KipuKai Kualii, Councilmember Arryl Kaneshiro; City & County of Honolulu – Councilmember Ikaika Anderson; Maui County has five Councilmembers attending the conference. A breakfast meeting with NACo's Second Vice President is scheduled for February 24, 2016. Capitol Hill Visits are also scheduled for February 24, 2016, with the exception of Senator Brian Schatz, which is scheduled for February 23, 2016. President Victorino requested to be informed of any other member not included in this list who will be attending the conference, so that accommodations can be made for their presence.

The Conference offers educational programs, seminars, and visits not only to the Capitol, but to the Department of Labor and the Department of Transportation. President Victorino is Vice Chair of the Environment, Energy, and Land Use Committee, which is having a get together on Tuesday afternoon. He asked members to share any other news that may be of interest to other members.

D. WIR Report

President Victorino noted that HSAC's WIR representatives Councilmember Danny Paleka, County of Hawai'i, and Council Chair Mike White, County of Maui, will be attending the WIR meeting scheduled during the conference.

Treasurer Anderson moved for approval of the NACo and WIR reports, seconded by Secretary Rapozo, and unanimously carried.



V. NEW BUSINESS

- A. Communication dated January 1, 2016 from City and County of Honolulu Clerk Glen Takahashi, transmitting for the Executive Committee's information Resolution 16-3, "RELATING TO THE 2016 HAWAII STATE ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE," which was adopted on January 6, 2016.

Secretary Rapozo moved to receive the communication for the record, seconded by Treasurer Anderson, and unanimously carried.

- B. Memorandum dated February 5, 2016 from the HSAC President, entitled "INCREASED HSAC COMMUNICATION EFFORTS AND FUNDING AUTHORIZATION FOR STAFF DURING TRANSITION."

President Victorino announced that HSAC has a website, www.hicounties.com, where conference details will be posted, as well as agendas and minutes. Second, he requested approval for HSAC to reimburse travel costs for airfare and ground transportation related to providing training for the HSAC Treasurer for this transition period.

Treasurer Anderson moved to approve reimbursement for costs related to the HSAC Treasurer's training, seconded by Secretary Rapozo, and unanimously carried.

President Victorino requested that the Committee approve a new official letterhead as shown on this memorandum dated February 5, 2016. This format makes HSAC much more recognizable when submitting testimony to the Legislature, as well as the seals would not fade out for photocopying purposes. Vice President Onishi stated his preference for keeping the islands watermark in the background. Secretary Rapozo suggested combining the proposed letterhead using the HSAC seal, with the islands and county seals watermark. President Victorino noted that this format will be the official letterhead for all HSAC communications and documents going forward.

Secretary Rapozo moved to approve a new official letterhead with the HSAC seal placed at the top right-hand corner, remove the HSAC seal from the watermark, and keep the county seals and islands watermark, seconded by Treasurer Anderson, and unanimously carried.



C. State Legislature update and discussion on lobbying efforts.

President Victorino shared a 2016 Legislative Bill Tracking report compiled by Maui County's legislative staff.

SB 2987, Relating to Transient Accommodations Tax (TAT), is Senator Jill Tokuda's proposal. WAM Chair Tokuda has stated that although the counties have compelling evidence, she felt that the Legislature preferred to take this direction. The proposal makes permanent an annual allocation of \$103,000,000 of TAT to the counties, and establishes a state-county functions working group on July 1, 2022, to recommend allocation of the TAT between the state and the counties based on division of duties and responsibilities for the provision of public services. Maui County Council Chair Mike White was very upset when he saw this proposal and immediately sent testimony in opposition, as did Kaua'i County Council Chair Rapozo. President Victorino is considering sending a letter in opposition from HSAC, and asked for the Committee's comments.

Secretary Rapozo noted that he sent testimony in opposition because this measure goes completely against what HSAC agreed to support, with the exception of Maui County. This is an insult to the counties and considered as quiet money, while keeping the cap in place. It was evident that Representative Sylvia Luke and Representative Jimmy Tokioka avoided his presence at the Capitol yesterday, although he was able to speak with Representative Derek Kawakami. It is clear that the Legislature intends to keep the cap on the counties' distribution, regardless of the increase in TAT revenue, as well as GET revenues, generated by the increased number of visitors and their spending. Additionally, a meeting with Kaua'i's delegation is scheduled for Sunday, February 14, 2016, with the exception of Representative Kawakami who has declined to meet on that day. The Kaua'i delegation will be reminded that they represent the same constituents as the counties, and be informed that HSAC may consider funding an advertising campaign which lists those legislators negatively impacting the counties' ability to receive their fair share of the TAT, and this action may affect outcomes at the November elections. Further, Secretary Rapozo took offense with the bill's language, "The legislature finds that the allocation of an amount definitely set, rather than calculated as a percentage of revenues, promotes better budgetary practice," in that it implies that the counties cannot manage their budgets, and having a set, stable amount of money will eliminate the "guessing" done when formulating the county's fiscal



budget plan. The trend is for TAT funds to increase every year, and the State will enjoy that benefit to the detriment of the counties.

President Victorino noted that Maui Council Chair Mike White is scheduled to make a presentation regarding TAT to the Hawai'i County Council on March 1, 2016. He noted that a fixed amount of TAT funding is not part of HSAC's package. SB 2987 is not a cap; it is a permanent, fixed amount until 2023. If another major economic downturn occurs, such as 9-11, would this allocation remain the same? This proposal also earmarks \$82 million to the tourism special fund, of which \$2 million will be expended for development and implementation of initiatives to take advantage of expanded visa programs and increased travel opportunities for international visitors to Hawai'i, which leaves out the counties of Maui and Kaua'i who cannot accommodate entry of international flights.

Vice President Onishi noted that because a Customs Department is not present in Hawai'i County, international flights cannot land on the Big Island. The establishment of a Customs Department on the Big Island is not in the near future.

President Victorino also noted that the Convention Center, which has never been profitable or broke-even, is another benefactor of TAT funds.

Secretary Rapozo stated that letters were sent to Judge Acoba (Retired), Jill Tokuda and Sylvia Luke, and to Kaua'i's delegation asking for an explanation of their position and what action they would be taking. Judge Acoba (Retired) was the only person to respond, and said that the Working Group's task is complete and that their recommendation is with the Legislature. He did not address the specific question posed regarding Ms. Tokuda's and Ms. Luke's comments that the Working Group did not follow instructions. No other responses were received.

Secretary Rapozo asked if O'ahu and Big Island representatives agreed with SB 2987. Treasurer Anderson said that it certainly is not what the HSAC Executive Committee asked for and agreed to endorse and support. Vice President Onishi was also not satisfied with the proposal and asked, what can we do. HSAC has worked on this issue for many, many years and has never gotten any movement for support from the Legislature. Maybe it is time that the public be informed, and utilizing moneys from HSAC to promote how unfair the counties are treated and having each island's legislator be accountable. The neighbor island



legislators could be affected, but are outnumbered by the O'ahu legislators in both the House and the Senate. Kaua'i County and Maui County should be lobbying their island representatives who lead the House (Speaker Souki) and the Senate (Senate President Kouchi), and get them onboard with the counties to have a chance at succeeding. Secretary Rapozo stated that Representative Morikawa is the only Kaua'i legislator who stated support for the Working Group's recommendation. Senator Jill Tokuda did not author SB 2987 alone, but in collaboration with other Senate and House leadership. The Governor has also stated his non-support for increasing the counties' share of TAT revenues. Vice President Onishi stated that he was told by Representative Lowen to raise real property tax rates. Senate President Kouchi's message to Kaua'i County is it can implement the GET surcharge. GET moneys are restricted and cannot be used for parks purposes, and the Legislators are very knowledgeable of this fact.

Secretary Rapozo suggested that HSAC hire someone to initiate a publicity campaign, if that is the desired direction. This campaign could affect the elections of neighbor island legislators, but Vice President Onishi is correct that O'ahu legislators are the majority. Treasurer Anderson said that this will be a tough campaign to educate the public on the issue and then to get them to mobilize. President Victorino noted that Maui Legislators' response is that the Legislature appropriated approximately \$40 million to purchase 256 acres at Lipoa Pointe to be put in preservation. Secretary Rapozo added that Kaua'i County also received \$2.5 million for Mānā Race Track.

President Victorino believed that SB 2987 is the Legislators' attempt to prevent the counties from negotiating starting from top dollar and then bringing it down, because of Chair White's presentation. In discussions with Speaker Souki, the Legislature is dictating what the counties are getting rather than listening to what the counties are requesting. Maui Mayor Arakawa also expressed disappointment but wanted more time to think about supporting Maui Council's direction.

Vice President Onishi stated that he was warned in 2009 that the neighbor island counties should be wary of offending legislators when asking for funding from the TAT. O'ahu legislators, who carry the majority in both houses, may be inclined to recommend that each island get just what is produced on each island, leaving the bulk of TAT on



O'ahu where it is derived. It is very important to build a relationship with the Legislators, as well as getting the Governor's support.

HB 1554, Relating to TAT. Speaker Souki has stated he supports the 45% TAT allocation to the counties. President Victorino asked if the committee wants to support this measure. HB 1554 has been amended and reported out of the House Tourism Committee and referred to the House Finance Committee. Secretary Rapozo believed that HSAC would be in a better position supporting a measure rather than opposing one. Vice President Onishi recommended scheduling something with the members of the Finance Committee to discuss HB 1554; President Victorino agreed that now would be HSAC's opportunity to educate the members of the Finance Committee.

(While waiting for copies of HB 1554, the Committee proceeded to discuss other measures on the tracking list.)

SB 405 / HB 194, Relating to Abuse of Family or Household Members. No hearing yet.

SB 406 / HB 195, Relating to Hawai'i Health Systems Corporation Primary Care Training Program. No hearing at this point.

SB 409 / HB 198, Relating to Zoning. Referred to Water and Land and Finance Committees.

SB 2118 / HB 1641, Relating to Persons with Disabilities. Both bills have been deferred in committee.

SB 2119 / HB 1642, Relating to Counties. Senate bill referred to Committees on Public Safety, Intergovernmental and Military Affairs and Ways and Means. House bill referred to Committee on Finance.

SB 2120 / HB 1643, Relating to Tort Liability. No hearing scheduled in either Senate or House.

SB 2121 / HB 1644, Relating to Public Agency Meetings and Records. Senate bill referred to Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary. House bill referred to Judiciary. No hearing scheduled.



SB 2122 / HB 1645, Relating to Mopeds. Senate bill deferred in Transportation and Energy Committee. House bill not heard.

SB 2123, Relating to Zoning. Senate bill passed with amendments. House bill not heard.

SB 407 / HB 196, Relating to Evidence. No hearing in either Senate or House.

President Victorino noted that both SB 2118 and HB 1641, relating to persons with disabilities, are dead. The moped measure (SB 2122) is dead in the Senate; House has not heard HB 1645.

HB 1554 does not have a companion Senate bill. The Committee discussed submitting testimony supporting this measure. Secretary Rapozo noted that this measure has been amended "to take effect on July 1, 2120." Vice President Onishi requested that President Victorino revisit this issue with House Speaker Souki to clarify his position.

President Victorino stated that HSAC will be submitting testimony on its position regarding SB 2987, Relating to Transient Accommodations Tax, which was proposed by Senator Tokuda.

A general discussion took place on how to educate the public and enlist their support. How do you convince people to care? Treasurer Anderson believed that neighbor island legislators have a much closer relationship with their constituents than those on O'ahu who may not even interact with people outside of their districts. Constituents can play a large role in influencing Senate President Kouchi, who may then find it necessary to work towards convincing and seeking support from his colleagues.

President Victorino stated that he will confirm with Speaker Souki his position on the TAT, as well as meeting with Representative Sylvia Luke.

Treasurer Anderson requested that a budget proposal for the Executive Committee's consideration be submitted by Secretary Rapozo if he finds it necessary to pursue a public education campaign to educate the county's populace on the position of certain state lawmakers.

President Victorino recommended keeping an eye on the Tort Liability Bill, because of its importance to all counties.



Secretary Rapozo noted that HSAC has not taken a formal position on the TAT, except for what was carried over from last year's legislative package. The cap was removed and the percentages were left blank. He also believed that Senate President Kouchi will be upfront with him about how serious the Legislators are on HB 1554, as well as Speaker Souki should likewise be able to provide good insight on HB 1554. This information will be helpful in deciding what actions HSAC will be taking.

President Victorino suggested scheduling a meeting as early as possible in March, knowing that each county will be receiving and start working on their budgets.

Vice President Onishi moved to defer the State Legislative update and discussion on lobbying efforts, seconded by Secretary Rapozo, and unanimously carried.

VI. ANNOUNCEMENTS

- A. Discussion on NACo Legislative Conference from February 20-24, 2016 in Washington, D.C.

Vice President Victorino announced that the NACo Legislative Conference in Washington, D.C., officially begins on February 20-24, 2016. Some members will be arriving in DC earlier for their respective committee meetings. Breakfast meetings with Elizabeth Archuleta and Greg Cox have been confirmed. Robert Steel has declined. Members confirmed to attend are: Riki Hokama, Don Guzman, and Don Couch, and Michael Victorino from Maui; KipuKai Kualii and Arryl Kaneshiro from Kauai; Ikaika Anderson from Honolulu; and "Fresh" Onishi and Danny Paleka from Big Island. Omiyage from Kauai is cookies, Oahu has chocolates, Big Island has chips, and Maui is bringing coffee.

Maui County staff requested approval to expend \$100-\$200 to purchase bags to organize the omiyage gifts in D.C. Hawaii County will check with their Visitors Bureau about providing omiyage bags. Although there is a line item budgeted for this purpose, President Victorino stated that money will not be spent on purchasing omiyage bags if Hawaii County is able to obtain the bags from Hawaii Visitors Bureau.



B. Schedule the next meeting

The next HSAC Executive Committee meeting will be held on Tuesday, March 8, 2016, at 10 a.m. in Honolulu.

C. Other announcements

There were no other announcements.

VII. ADJOURNMENT

The meeting was adjourned at 12:07 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mel Rapozo". The signature is fluid and cursive, written over a light blue horizontal line.

MEL RAPOZO, Secretary
Hawai'i State Association of Counties



Hawaii State Association of Counties

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



MINUTES
HSAC EXECUTIVE COMMITTEE MEETING
January 19, 2016
Honolulu Hale, Committee Meeting Room
530 South King Street
Honolulu, Hawaii 96813

I. CALL TO ORDER

The HSAC Executive Committee was called to order by HSAC President and County of Kauai Council Chair Mel Rapozo at 9:08 a.m. The following members comprising a quorum were present:

County of Kauai: President Mel Rapozo, County of Kauai Council Chair

County of Hawaii: Vice President Dennis "Fresh" Onishi, County of Hawaii Councilmember

City and County of Honolulu: Secretary Ikaika Anderson, City and County of Honolulu Council Vice Chair

County of Maui: Treasurer Michael Victorino, County of Maui Councilmember

Others Present: Councilmember Gladys Baisa, County of Maui;
Councilmember Don Couch, County of Maui;
Councilmember Stacy Crivello, County of Maui;
Councilmember Riki Hokama, County of Maui;
Councilmember Greggor Ilagan, County of Hawaii.



Honolulu staff Doug Chun, Legislative Analyst, Office of Council Services;
Honolulu staff Brandon Mitsuda, Council Liaison, Honolulu City Council Administrative Support Services;
Honolulu staff Francisco Figueiredo, Legislative Aide, Office of Councilmember Ikaika Anderson;
Honolulu staff Shirley Ann Templo, Legislative Aide, Office of Councilmember Joey Manahan;
Kauai staff Aida Okasaki, Legislative Assistant, Council Services Division;
Maui staff Kit Zulueta, Communication Director, Office of Council Services.

II. APPROVAL OF AGENDA

The Committee approved the agenda.

III. MINUTES

The Committee approved the Minutes of the December 7, 2015 HSAC Executive Committee meeting.

IV. REPORTS

(At this point, Treasurer Victorino, noting that his aide had not yet arrived with the reports, requested that the Treasurer's Report be moved to a later point in the Agenda. President Rapozo, in granting the request, noted that the County Reports would be taken out of order and would precede the Treasurer's Report.)

B. County Reports

1. Hawaii County Report. Vice President Onishi, noting that it's been quiet on the Big Island, mentioned that the County Council would be addressing the General Excise Tax surcharge issue. (At this point, he acknowledged and introduced Hawaii County Councilmember Greggor Ilagan.)

2. City and County of Honolulu Report. Secretary Anderson reported on the following items: 1) The Council, in a special Council Session, recently approved the HSAC legislative package, 2) The Council is preparing for the budgetary process and looks forward to working with the Executive branch in crafting an affordable housing policy and initiative, and 3) Secretary Anderson will submit a written report on his attendance and experience at the NACo fall meeting prior to the next HSAC Executive Committee meeting.
3. Kauai County Report. President Mel Rapozo reported on the following items: 1) The County Council passed a TAT resolution that supports the Task Force recommendation to increase TAT funding to the counties, 2) The Council will address the possibility of a GET surcharge, although support is uncertain at this time, and 3) The Council is continuing to assess the county manager system of governance, with a possible charter amendment forthcoming.
4. Maui County Report. Treasurer Victorino reported on the following items: 1) The last viable sugar plantation on Maui and in the State is closing at the end of the year. The State, County, and Alexander and Baldwin are assembling a task force to assist the almost 700 workers who will be laid off, 2) The bill that would repeal or amend the "Show Me The Water" policy has been deferred for the time being. This policy was enacted during the boom development years when the fear was that there was insufficient water to support increased development. Currently, however, the policy is restricting the needed development of subdivisions and work force housing, 3) The establishment of the Maui MPO, which would allow the county to access federal transportation funds, is ongoing, and 4) The Council's special committee that is reviewing the county manager form of governance continues to move forward. The committee has until May to possibly recommend a county manager form of government, which would require a charter amendment proposal to be approved by the voters in November 2016.

There being no discussion or questions, a motion was made, seconded and approved to receive the county reports.

A. Treasurer's Report

1. Treasurer's Report for the month of November 2015, as submitted by the HSAC Treasurer.
2. Treasurer's Report for the month of December 2015, as submitted by the HSAC Treasurer.

Treasurer Victorino reported that expenditures in the month of November were \$308.74, mainly for airfare and ground transportation, while expenditures in December totaled \$2,718.36 and consisted mainly of airfare and ground transportation that included two members traveling to the NACo fall meeting in Colorado Springs, Colorado. The ending balance as of December 31, 2015 was \$219,378.93.

There being no discussion or questions, a motion was made, seconded and approved to approve both Treasurer's Reports.

C. NACo Report

Maui Councilmember Riki Hokama, who was in attendance, reported on the following items: 1) The passage of the U.S. Fast Act, which authorizes surface transportation funding and may result in \$1.6 billion coming to Hawaii over the next five years for transportation infrastructure improvements, 2) The payment in lieu of taxes program (PILT), which provides payments to counties and other local governments to offset losses in tax revenues due to the presence of tax-exempt federal land in their jurisdictions, is 100% funded, and 3) Jerry Abramson, Deputy Assistant to the President and Director of Intergovernmental Affairs stated that he would be open to an invitation from HSAC to attend the June conference as an official representative of the President.

(At this point, Treasurer Victorino acknowledged and introduced Maui Councilmembers Gladys Baisa, Don Couch, Stacy Crivello and Riki Hokama.)

A motion was made, seconded and approved to receive the NACo report.

D. WIR Report

There was no new WIR report since the report was made at the last Executive Committee meeting in November.

V. NEW BUSINESS

- A. Communication (December 18, 2015) from Deputy County Clerk Scott K. Sato, County of Kaua'i, transmitting for the Executive Committee's information Resolution No. 2015-69, Resolution Approving Proposals For Inclusion In The 2016 Hawai'i State Association Of Counties Legislative Package, which was adopted by the Council of the County of Kaua'i at its meeting on December 16, 2015.

There being no discussion, a motion was made, seconded and approved to receive the item.

- B. Communication (December 21, 2015) from County Clerk Danny A. Mateo, County of Hawai'i, transmitting for the Executive Committee's information Resolution No. 15-166, Approving Proposals For Inclusion In The 2016 Hawai'i State Association Of Counties Legislative Package, which was adopted by the Council of the County of Maui at its meeting on December 18, 2015.

There being no discussion, a motion was made, seconded and approved to receive the item.

- C. Communication (December 22, 2015) from County Clerk Stewart Maeda, County of Hawai'i, transmitting for the Executive Committee's information Resolution No. 353-15, A Resolution To Approve Legislative Proposals For Inclusion In The 2016 Hawai'i State Association Of Counties Legislative Package, which was adopted by the Council of the County of Hawai'i at its meeting on December 14, 2015.

There being no discussion, a motion was made, seconded and approved to receive the item.

- D. Discussion and approval of authorized signatures for the 2016 HSAC Conference Bank Account.

There being no discussion, a motion was made, seconded and approved to approve the item.

VI. ANNOUNCEMENTS

A. Schedule the next meeting:

The next HSAC Executive meeting will be held on February 12, 2016, at 10:00 a.m. in Honolulu.

B. Other announcements.

There were no announcements.

VII. ADJOURNMENT

The meeting was adjourned at 9:25 a.m.

Respectfully submitted,



IKAIKA ANDERSON, Secretary
Hawaii State Association of Counties



Hawaii State Association of Counties

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



MINUTES
HSAC EXECUTIVE COMMITTEE MEETING
 December 7, 2015
 Honolulu Hale, Committee Meeting Room
 530 South King Street
 Honolulu, Hawaii 96813

I. CALL TO ORDER

The HSAC Executive Committee was called to order by HSAC President and County of Kauai Council Chair Mel Rapozo at 10:08 a.m. The following members comprising a quorum were present:

- | | |
|------------------------------|---|
| County of Kauai: | President Mel Rapozo, County of Kauai
Council Chair |
| County of Hawaii: | Vice President Alternate Daniel K. Paleka,
County of Hawaii
Councilmember |
| City and County of Honolulu: | Secretary Ikaika Anderson,
City and County of Honolulu Council
Vice Chair |
| County of Maui: | Treasurer Michael Victorino, County of
Maui Councilmember |
| Others Present: | Councilmember Mike White, County of
Maui Council Chair
Councilmember Dru Mamo Kanuha,
County of Hawaii Council Chair |
| | Honolulu staff Doug Chun, Legislative
Analyst, Office of Council Services;
Honolulu staff Brandon Mitsuda, Council
Liaison, Honolulu City Council
Administrative Support Services;
Kauai staff Aida Okasaki, Legislative
Assistant, Council Services Division;
Maui staff Kit Zulueta, Communication
Director, Office of Council Services |



OCS2015-1196/12/9/2015 2:36 PM



III. MINUTES A

II. APPROVAL OF AGENDA

The Committee approved the agenda.

III. MINUTES

The Committee approved the Minutes of the November 23, 2015 Special HSAC Executive Committee meeting.

IV. REPORTS

A. Treasurer's Report

Treasurer's Report for the month of November 2015, deferred as submitted by the HSAC Treasurer.

Treasurer Victorino reported that because the bank statement for November 2015 has not been received yet, he was making a motion to defer the Treasurer's Report until the next scheduled meeting. There being no discussion or questions, the motion was seconded and approved to defer the item.

B. County Reports

1. Maui County Report. Treasurer Victorino reported on the following items: 1) The Council passed a resolution that established a special committee to review the county manager form of governance. The committee has until June 1 to possibly recommend a county manager form of government, which would require a charter amendment proposal to be approved by the voters in November 2016, 2) The Council is considering the repeal or amendment of the "Show Me The Water" policy, which was enacted during the boom development years when the fear was that there was insufficient water to support increased development. Currently, however, the policy is restricting the needed development of subdivisions and work force housing, and 3) Treasurer Victorino, noting that \$300+ airfares between the neighbor islands is too high for working people, introduced a resolution urging competitive interisland airfares.

2. Hawaii County Report. Vice President Alternate Paleka reported that the major issue on the Big Island is the dengue fever outbreak, with the media reporting on the increasing number of cases, as well as the county's efforts to work with the State Department of Health to contain and resolve the outbreak. He also noted that the U.S. Centers for Disease Control and Prevention (CDC) looked into the county/State response to the outbreak and issued a favorable opinion of all efforts thus far.

(At this point, both County of Hawaii Council Chair Dru Mamo Kanuha and County of Maui Council Chair Mike White were acknowledged and introduced.)

3. City and County of Honolulu Report. Secretary Anderson reported the following items: 1) The Council is expecting to receive future updates on all the community plans, as well as the General Plan. Noting that all the plans are long overdue, Secretary Anderson stated that the Department of Planning and Permitting is claiming that staffing issues are the reason for the delays, even though the Council has provided adequate funding for these staffing concerns, 2) Bill 8, dealing with commercial activities at certain parks, has been deferred to allow the parties to further discuss the issue and hopefully result in a workable compromise of the need to regulate commercial activities vis-à-vis the needs and desires of park users, 3) The Council passed Bill 73, authorizing the issuance of general obligation commercial paper related to the rail project, 4) Bill 23, which will extend the general excise tax surcharge for another five years, is up for second reading. Secretary Anderson noted that the current projected shortfall for the rail project is \$1.1 billion. Finally, on behalf of the City Council, he met with the acting administrator of the Federal Transit Administration, who stated clearly that failure to build the rail project according to the terms and conditions of the Full Funding Grant Agreement would result in serious consequences, including the demand to return all New Starts funding.
4. Kauai County Report. President Mel Rapozo reported on the following: 1) The County Council is looking into placing a cap on real property taxes due to changing economic circumstances, 2) The issue of barking dogs is before the Council again and will be considered, 3) The Council is continuing its consideration of the county manager system of governance, although it's too early to

say what will happen, 4) In the near future, the County will be discussing the Public Purpose Power agreement concept, which currently requires the county to petition the utility before a proposed project can go to the Public Utilities Commission (PUC) for approval. Under an alternate proposed scheme, the county would be able to submit the public purpose project proposal directly to the PUC, and 5) The Council is requesting that the U.S. Attorney, U.S. Attorney General, and the Department of Justice investigate the current high interisland airfare situation and the apparent monopoly of Hawaiian Airlines.

There being no discussion or questions, a motion was made, seconded and approved to receive the county reports.

C. NACo Report

Secretary Anderson reported that he just returned from the NACo board meeting held in Colorado Springs, Colorado from December 3-5, 2015, and that he would provide a detailed report on the meeting at the next HSAC Executive Committee meeting.

Treasurer Victorino noted that a press release put out by NACo immediate past president Riki Hokama touted the passage of the U.S. Fast Act, which authorizes surface transportation funding and may result in \$1.6 billion coming to Hawaii over the next five years for transportation infrastructure improvements. (At this point, committee members engaged in a brief discussion noting that Councilmember Hokama focused his presidency on transportation and infrastructure issues and that most U.S. counties have large infrastructure needs and funding deficits. President Rapozo suggested sending an HSAC letter of appreciation to Councilmember Hokama, with Treasurer Victorino agreeing to have his office draft the letter.)

D. WIR Report

There was no new WIR report since the report was made at the last Executive Committee meeting in November.

A motion was made, seconded and approved to receive the NACo report.

V. NEW BUSINESS

- A. Communication (November 27, 2015) from County Clerk Stewart Maeda, County of Hawai'i, transmitting for the Executive Committee's information Resolution No. 325-15, A Resolution Approving The Hawai'i State Association Of Counties' State Of Officers For Fiscal Year 2015 2016, which was adopted by the Council of the County of Hawai'i at its meeting on November 18, 2015.

There being no discussion, a motion was made, seconded and approved to receive the item.

- B. Communication (November 30, 2015) from City Clerk Glen Takahashi, City and County of Honolulu, transmitting for the Executive Committee's information Resolution No. 15-291, Approving The Officers Of The Hawai'i State Association Of Counties For Fiscal Year 2015-2016, which was adopted by the Council of the City and Council of Honolulu at its meeting on November 4, 2015.

There being no discussion, a motion was made, seconded and approved to receive the item.

VII. ANNOUNCEMENTS

- A. Schedule the next meeting:

(At this point, President Rapozo began a discussion on the outrageous airfares demanded by Hawaiian Airlines, noting that the highest interisland fare he has documented on his smartphone is \$2,618.)

Secretary Victorino suggested that the next Executive Committee meeting and General Membership meeting be held on the same day in January. If the meeting were held on January 19th, then the two meetings could be held that morning, followed by the HSAC luncheon at the Legislature, with the opening of the 2016 Legislature on January 20th.

After a brief discussion among members regarding HSAC legislative package finalization and timing, the dates of county council meetings in January, and the need to transmit the HSAC legislative package before the opening of the Legislative Session, it was agreed that the next HSAC Executive meeting would be held on January 19, 2016, at 9:00

a.m., to be immediately followed by the General Membership meeting at 10:00 a.m.

B. Other announcements.

President Rapozo wished everyone a Merry Christmas.

VIII. ADJOURNMENT

The meeting was adjourned at 10:51 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ikaika Anderson". The signature is stylized and written over a circular stamp or mark.

IKAIKA ANDERSON, Secretary
Hawaii State Association of Counties



Hawaii State Association of Counties

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



MINUTES
SPECIAL HSAC EXECUTIVE COMMITTEE MEETING
 November 23, 2015
 Honolulu Hale, Committee Meeting Room
 530 South King Street
 Honolulu, Hawaii 96813

I. CALL TO ORDER

The HSAC Executive Committee was called to order by HSAC President Alternate and County of Kauai Council Vice Chair Ross Kagawa at 10:20 a.m. The following members comprising a quorum were present:

- County of Kauai: President Alternate Ross Kagawa,
County of Kauai Council Vice-Chair
- County of Hawaii: Vice President Dennis "Fresh" Onishi,
County of Hawaii Councilmember
- City and County of Honolulu: Secretary Alternate Joey Manahan,
City and County of Honolulu
Councilmember
- County of Maui: Treasurer Michael Victorino, County of
Maui Councilmember
- Others Present: Councilmember Mike White, County of
Maui Council Chair

Honolulu staff Doug Chun, Legislative Analyst, Office of Council Services;
 Honolulu staff Brandon Mitsuda, Council Liaison, Honolulu City Council Administrative Support Services;
 Honolulu staff Lisa-Ann Kimura, Staff Attorney, Office of Council Services;
 Honolulu staff Chico Figueiredo, Legislative Aide, Office of Councilmember Ikaika Anderson;
 Kauai staff Aida Okasaki, Legislative Assistant, Council Services Division;



Maui staff Kit Zulueta, Communication
Director, Office of Council Services

II. APPROVAL OF AGENDA

The Committee approved the agenda.

III. MINUTES

The Committee approved the Minutes of the September 11, 2015 and September 30, 2015 Executive Committee meetings.

IV. REPORTS

A. Treasurer's Report

Treasurer's Report for the month of September 2015 and October 2015, as submitted by the HSAC Treasurer.

Treasurer Victorino reported that for the period ended October 30, 2015, net income from the 2015 WIR conference totaled \$28,780.02, which combined with net income of \$41,828.86 from the 2015 HSAC conference resulted in a total net income of over \$70,000 from these two conferences. He further noted that the \$5,000 seed money requested by the County of Hawaii has already been accounted for and does not need to be subtracted from the \$41,828.86 net income listed in the report. Combined with \$43,680.00 collected in membership dues and taking into account one major expense of \$26,751 for NACo dues incurred in October 2015, the ending balance as of October 31, 2015 was \$227,396.44, which Treasurer Victorino noted left HSAC in excellent financial shape moving forward.

Vice President Onishi raised a question regarding an \$8,000+ expense incurred as part of the Eventbrite participation in the 2015 HSAC conference did not appear to be accounted for in a previous expense report. In the interest of time, both Treasurer Victorino and CM White offered to discuss and clarify the matter in detail with Vice President Onishi after the Executive Meeting.

There being no further questions, a motion was made, seconded and approved to receive and approve the Treasurer's Reports for the months of September 2015 and October 2015.

B. County Reports

1. Maui County Report. Treasurer Victorino reported on the following items: 1) The Council has adopted its 2016 Legislative Package, which includes four State bills; 2) The Council will soon consider a Resolution to establish a committee to review the county manager form of governance; 3) The Mayor has called a meeting to discuss the Governor's emergency declaration on homelessness; 4) The Council approved a 186-unit affordable housing rental project in the Kihei area; 5) The Council has begun videoconferencing its meetings to district offices in Hana, Lanai, and Molokai; 6) The Council and County are looking into the alleged misuse of P-Cards regarding a county kitchen facility that has been in the news recently; and 7) The Council is looking into the sugarcane-burning issue, with an eye on both the health ramifications, as well as the economic and employment impacts of any decision to continue or discontinue the burning of sugarcane.
2. Hawaii County Report. Vice President Onishi, noting that things on Hawaii Island have been quiet and fairly status quo, reported that there have been a couple of Resolutions introduced seeking to amend the medical marijuana dispensary law. Stating that one Resolution seeks to increase county revenues by increasing the GET on these activities to five percent and that the second Resolution seeks to give Hawaii County greater input regarding the location of any Hawaii Island dispensaries, he concluded by noting that because these efforts appear to be late in the game, the fate of these Resolutions is uncertain.
3. City and County of Honolulu Report. Secretary Alternate Manahan reported the following items: 1) The rail surcharge extension is being considered by the Council and remains a major issue, especially since the cost of the rail project has ballooned from \$5.1 billion at the outset of the project to a substantially larger figure now; 2) Homelessness continues

to impact the City with the Council proposing numerous ways to address the problem, including the Housing First concept, hygiene centers, and other strategies; and 3) Regarding the TAT, the State is no longer in a deficit position and should be urged to fund the counties via the TAT to a greater extent, especially given the recent settlement with Orbitz that will result in additional TAT funds accruing to the State.

4. Kauai County Report. President Alternate Kagawa reported on the following: 1) The County Council has approved a beneficial tax rate for long-term affordable rentals to counter the decrease in government median income criteria. This measure was needed to allow renters currently benefiting from the tax rate criteria from having to seek a new rental unit at a lower rent level in order to receive the same tax benefits; and 2) President Alternate Kagawa introduced a Resolution that related to interisland airfares and the current Hawaiian Airlines monopoly, urging Hawaiian Airlines to accommodate interisland travelers by moderating their fares for interisland travel.

(At this point, a wide-ranging discussion ensued that touched upon cuts in State and county budgets made during the 2007 recession, the need to restore mental health and other human service funding cuts, the critical lack of housing inventory and homelessness, and other issues. Secretary Alternate Manahan suggested inviting the governor's homeless coordinator to a future HSAC meeting to gauge the scope of the problem and discuss possible solutions.)

A motion was made, seconded and approved to receive the county reports.

C. NACo Report

Vice President Onishi reported that the next NACo board meeting would be held in Colorado Springs, Colorado, from December 3-5, 2015. (At this point, a discussion ensued regarding continuing the tradition of taking *omiyage* to present to certain board officers and staff. It was decided that county staff would be contacted regarding information on providing and sending *omiyage* to the NACo board

meeting on a voluntary basis, with each county deciding whether or not to participate in the giving of *omiyage*.)

D. WIR Report

It was noted that "Item J" under New Business on the agenda refers to the 2015 WIR Board Meeting held in Ada County, Idaho from October 7-9, 2015. Councilmember Mike White noted that WIR's focus is on PILT and SRS funds (PILT = Payment in Lieu of Taxes; SRS = Secure Rural Schools). Reflecting the language in Item J, CM White noted that the future focus of the WIR was discussed at the board meeting since many counties, including those in Hawaii, are not largely impacted by either PILT or SRS. As a result, WIR members are being asked what topics of relevance WIR should be focusing on. The HSAC Executive Committee is therefore requested to discuss this matter at a future meeting.

A motion was made, seconded and approved to receive the NACo and WIR reports.

V. UNFINISHED BUSINESS

There was no unfinished business listed on the agenda.

(At this point, noting the imminent departure of Treasurer Victorino from the meeting, President Alternate Kagawa suggested jumping to "Item A" under Announcements in order to schedule the next meeting date. After discussion, it was agreed that the first option for the next meeting date would be Monday, December 7, 2015 at 10:00 a.m., with the backup date option being Tuesday, December 8, 2015 at 1:00 p.m. Members were instructed to contact the President's office to confirm their availability and final choice of dates.)

VI. NEW BUSINESS

- A. Communication (September 2, 2015) from City Clerk Glen Takahashi, City and County of Honolulu, transmitting for the Executive Committee's information Resolution No. 15-217, CD1, Relating To The Inclusion In The 2016 Hawai'i State Association of Counties Legislative Package Of A Proposal That Would Require Mopeds To Be Subject To The State's Safety Check Program,

which was adopted by the Council of the City and County of Honolulu on September 2, 2015.

Secretary Alternate Manahan noted that this proposal came out of the community due to complaints that certain mopeds were being illegally modified, which resulted in excessive noise. He noted that regular inspections would be one way to address this issue and prevent illegal modifications.

(At this point, Treasurer Victorino distributed a document for informational purposes only, regarding an upcoming legislative proposal dealing with public purpose power or fuel purchase agreements, stating that he would submit the information for inclusion on the next HSAC Executive Committee Agenda. Once the document was distributed to members, Treasurer Victorino left the meeting and Councilmember Mike White took his place for quorum purposes.)

There being no further discussion, a motion was made, seconded and approved to receive the item.

- B. Communication (September 8, 2015) from County Clerk Danny A. Mateo, County of Maui, transmitting for the Executive Committee's information Resolution No. 15-109, Urging Congress To Pass The Industrial Hemp Farming Act Of 2015, which was adopted by the Maui County Council at its meeting on September 4, 2015.

Councilmember White noted that this Resolution is needed since Maui County has the last remaining sugarcane plantation in the state, and options are needed if sugarcane is phased out, including the possibility of transitioning to industrial hemp.

There being no further discussion, a motion was made, seconded and approved to receive the item.

- C. Communication (September 8, 2015) from County Clerk Danny A. Mateo, County of Maui, transmitting for the Executive Committee's information Resolution No. 15-114, Approving For Inclusion In The 2016 Hawai'i State Association Of Counties Legislative Package A State Bill Providing The Counties Greater Flexibility In Financial Investments, which was adopted by the Maui County Council at its meeting on September 4, 2015.

Councilmember White noted that counties are currently limited in the ways they can invest funds. This proposal for inclusion in the HSAC Legislative Package would provide for greater investment options than is currently allowed by state statute, effectively expanding the types of securities that counties could invest in.

There being no further discussion, a motion was made, seconded and approved to receive the item.

- D. Communication (September 11, 2015) from County Clerk Stewart Maeda, County of Hawai'i, transmitting for the Executive Committee's information, Resolution 267-15, A Resolution Requesting The Hawai'i State Association Of Counties To Include In Its 2016 Legislative Package A Resolution Urging Hawai'i's Congressional Delegation To Propose And Pass An Amendment Clarifying That Corporations Are Not People With Constitutional Rights, And That Unlimited Campaign Spending Is Not Free Speech, which was adopted by the County of Hawai'i at its meeting on September 2, 2015.

Vice President Onishi noted that other counties in the U.S. have passed similar Resolutions that urge Congress to pass legislation that would limit the ability of corporations to contribute unlimited campaign funds to candidates, essentially "buying" those candidates.

There being no further discussion, a motion was made, seconded and approved to receive the item.

- E. Communication (September 14, 2015) from HSAC President Mel Rapozo, transmitting for the Executive Committee's information the 2015 Western Interstate Region (WIR) Conference Report.

There being no discussion, a motion was made, seconded and approved to receive the item.

- F. Communication (September 21, 2015) from County Clerk Danny A. Mateo, County of Maui, transmitting for the Executive Committee's information Resolution No. 15-120, Approving For Inclusion In The 2016 Hawai'i State Association Of Counties Legislative Package A Bill To Enable Councilmembers To Freely Attend Community And

Educational Meetings, which was adopted by the Maui County Council at its meeting on September 18, 2015.

Councilmember White noted that this proposal represents Maui County's ongoing attempt to have the same freedom to attend community meetings that the state Legislature enjoys. He noted that this was especially difficult for "at-large" members who have to equally represent all sections of the island. Currently, OIP requires a councilmember at a community meeting to keep Minutes during any portion of the community meeting in which the councilmember speaks and to videotape the proceedings, which are required to be made available at the next Council meeting.

Vice President Onishi noted the importance of area legislators, especially those in leadership positions, to support these proposals. Otherwise, the proposals will not move.

There being no further discussion, a motion was made, seconded and approved to receive the item.

- G. Communication (October 19, 2015) from County Clerk Danny A. Mateo, County of Maui, transmitting for the Executive Committee's information Resolution No. 15-132, Approving The Hawai'i State Association Of Counties Officers For Fiscal Year 2016, which was adopted by the Maui County Council at its meeting on October 6, 2015.

There being no discussion, a motion was made, seconded and approved to receive the item.

- H. Communication (October 19, 2015) from County Clerk Danny A. Mateo, County of Maui, transmitting for the Executive Committee's information Resolution No. 15-134, Approving For Inclusion In The 2016 Hawai'i State Association Counties Legislative Package A State Bill To Allow Persons With Disabilities To Indicate On Their Identification Cards Their Disability, which was adopted by the Maui County Council at its meeting on October 6, 2015.

Councilmember White stated that this proposal would allow a person with a disability to indicate on their identification cards the type of disability they have. He further noted that this would be voluntary, not mandatory, and would allow those with disabilities

that are not visibly evident to prove their status as a person with a disability.

There being no further discussion, a motion was made, seconded and approved to receive the item.

- I. Communication (October 22, 2015) from County Clerk Jade K. Fountain-Tanigawa, County of Kaua'i, transmitting for the Executive Committee's information Resolution No. 2015-60, Resolution Approving The Hawai'i State Association Of Counties (HSAC) Slate Of Officers For Fiscal Year 2016, which was adopted by the Kaua'i County Council on October 21, 2015.

There being no discussion, a motion was made, seconded and approved to receive the item.

- J. Communication (October 22, 2015) from Maui County Council Chair and WIR Board Member Mike White and Hawai'i County Councilmember and WIR Board Member Daniel K. Paleka, transmitting for the Executive Committee's information a report on the 2015 Western Interstate Region (WIR) Board of Directors Meeting.

There being no discussion, a motion was made, seconded and approved to receive the item.

- K. Communication (October 29, 2015) from HSAC Vice President Dennis "Fresh" Onishi, requesting seed money in the amount of \$5,000 for the Hawai'i County Council to begin planning the HSAC Conference scheduled for June 2016.

Vice President Onishi noted the following regarding the 2016 HSAC Conference: 1) The conference will be held from June 22-24, 2016 at either the King Kamehameha Kona Beach Hotel or the Sheraton Keauhou; 2) The Executive Committee meeting and the General meeting will be held on separate days to avoid rushing either meeting; 3) Hawaii County will work with the UH-Hilo Conference Center to manage logistics and act as the event coordinator; 4) Conference workers will be government appointees rather than civil service workers to avoid any ethics conflicts; 5) The goal, in an election year that may impact participation, will be roughly \$10,000

in net income; and 6) Costs will be kept as low as possible through potential airline sponsorships, waiver of hotel fees, etc.

Both Councilmember White and Brandon Mitsuda offered to help Hawaii County in dealing with planning and logistics questions.

There being no further discussion, a motion was made, seconded and approved to receive the item.

- L. Communication (November 4, 2015) from Council Chair Mel Rapozo, Kaua'i County Council, transmitting for the Executive Committee's consideration, A Bill For An Act Relating To Tort Liability to be included in the 2016 HSAC Legislative Package, which was adopted by the Kaua'i County Council on November 4, 2015.

Both Vice President Onishi and Councilmember White noted that it was amazing that the State would not want to permanently except county lifeguards for liability especially since state beaches are permanently excepted.

There being no further discussion, a motion was made, seconded and approved to receive the item.

- M. Discussion about lobbying efforts for the 2016 State Legislature relating to transient accommodations tax.

Councilmember Mike White distributed a packet of documents to members regarding a draft presentation on the allocation of Transient Accommodations Tax Revenue. He then presented a PowerPoint slide show arguing for the return of TAT revenues to the counties, which is summarized as follows:

1. Important points to remember: a) The State took the counties' TAT money when needed, but made no significant adjustments since; b) State revenues have significantly rebounded; c) County revenues are coming back slowly but we are ranked 149th out of 150 municipalities to receive taxes from lodging; and d) Splitting the TAT 50-50 between the state and counties will only move Hawaii up to 148th out of 150 municipalities.

2. Brief history: 2009, 2010—In response to falling state revenues, the legislature increased the TAT to generate more state funds; 2011, 2012—The TAT distribution to the counties was capped at \$93 million, and; 2014—The TAT cap was nominally increased to \$110 million.
3. Status today: a) By 2015, State revenues have rebounded by 34.4 percent, or nearly \$1.8 billion over 2010; b) The State's net TAT revenue has increased from \$8.3 million in 2007 to nearly \$205 million today, while the counties are losing \$85 million annually; c) While the State suggests increasing property taxes, the counties have already increased property taxes during the last five years; d) In response to a State suggestion to implement the GET surcharge provided to counties, the counties note that the GET is a regressive tax that applies to basic necessities such as food and medical services, and the GET surcharge is restricted to transportation and ADA compliance costs.
4. The State needs to give back TAT money—it is not a giveaway to the counties. Out of 150 municipalities, Hawaii ranks 149th in the receipt of taxes from lodging establishments. While 150 local municipalities receive an average of a 9.08 percent accommodations tax rate, counties in Hawaii on average receive a 2.26 percent accommodations tax rate. In addition, while the State of Hawaii provides a mere 17 percent of the overall taxes on lodging to the four counties, 32 municipalities receive 100 percent and another 101 municipalities receive 60 percent or more.

At this point, a discussion among members ensued that touched upon many points, including the following: a) The Governor will be using the TAT to balance his budget and the HSAC executive committee should meet with the Governor to state our case and attempt to garner his support; b) The fairness of the TAT over the GET must be emphasized, with an awareness that the TAT was raised years ago precisely so that the GET would not have to be raised; c) Although the fight for the TAT is an ongoing battle, the TAT reflects a clear nexus to the services that counties provide to visitors; and d) The counties should define concrete needs that any

additional TAT revenues will address by providing examples of deficiencies in current county services.

Councilmember White concluded by noting that a future press conference will be scheduled, perhaps in December, to outline the counties' position and proposal. He stated that this would probably occur after any HSAC meeting with the Governor, the House Speaker and the Senate President.

There being no further discussion, a motion was made, seconded and approved to receive the item.

VII. ANNOUNCEMENTS

A. Schedule the next meeting:

(This item was taken up earlier under Section V, New Business.)

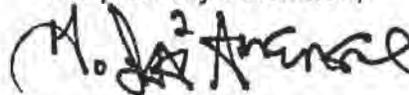
B. Other announcements.

Vice President Onishi noted that Councilmember Paleka had just informed him via cell phone/text message that neither Vice President Onishi nor Councilmember Paleka would be available to attend the next HSAC Executive Committee meeting, tentatively scheduled for December 7th or 8th. President Alternate Kagawa stated that because of this, staff from Kauai, in conjunction with staff from the other counties, would work it out and determine a suitable date in December based on HSAC member availability.

VIII. ADJOURNMENT

The meeting was adjourned at 12:35 p.m.

Respectfully submitted,



IKAIKA ANDERSON, Secretary
Hawaii State Association of Counties



Hawaii State Association of Counties

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



MINUTES

SPECIAL HSAC EXECUTIVE COMMITTEE MEETING

September 30, 2015

Honolulu Hale, Committee Meeting Room

530 South King Street

Honolulu, Hawaii 96813

I. CALL TO ORDER

The HSAC Executive Committee was called to order by HSAC President Alternate and County of Kauai Council Vice Chair Ross Kagawa at 10:26 a.m. The following members comprising a quorum were present:

- | | |
|------------------------------|---|
| County of Kauai: | HSAC President Alternate Ross Kagawa,
County of Kauai Council Vice-Chair |
| County of Hawaii: | Vice President Dennis "Fresh" Onishi, County
of Hawaii Councilmember |
| City and County of Honolulu: | Secretary Alternate Ernest Y. Martin, City and
County of Honolulu Council Chair |
| County of Maui: | Treasurer Michael Victorino, County of Maui
Councilmember |
| Others Present: | Honolulu staff Doug Chun, Legislative Analyst,
Office of Council Services;
Honolulu staff Brandon Mitsuda, Council
Liaison, Honolulu City Council
Administrative Support Services;
Kauai staff Aida Okasaki, Legislative Assistant,
Council Services Division;
Maui staff Kit Zulueta, Communication Director,
Office of Council Services |

II. APPROVAL OF AGENDA

The Committee approved the agenda.



OCS2015-0956/10/2/2015 2:44 PM



III. NEW BUSINESS

A. Communication (September 17, 2015) from Councilmember Ikaika Anderson, HSAC Secretary, transmitting for the Executive Committee's approval, a proposal to amend Section 5, Paragraph 2 of the HSAC Bylaws as follows:

- 1) Designating a new slate of officers for the term beginning in 2015; and
- 2) Adding a rotation schedule for the slate of officers.

A motion was made and seconded to approve the proposed Bylaw amendment.

When HSAC President Alternate Kagawa opened the matter for discussion, Vice President Onishi, noting that he wished to speak for the record, stated that he supports the proposed amendment. He continued by noting that this amendment would institutionalize what he has been advocating for, namely, a designated slate of officers to act as a starting point, a certain and orderly rotation, and a limit to the how long each county would serve in any position.

Vice President Onishi stated, moreover, that he had hoped that this issue would have been discussed and decided at the past 2015 General Membership meeting, but nonetheless wanted to thank Secretary Anderson for assisting in getting this proposal considered and approved.

Finally, Vice President Onishi expressed his desire to state for the record, as a member of the Executive Committee, that he did not appreciate the way that he had been treated at both a previous meeting and at the Annual Conference, where words had been spoken that "were inappropriate" and no written apology had been tendered. He ended by noting that he would recommend that his Hawaii County Council colleagues support and approve this Bylaw amendment.

Hearing no other discussion, HSAC President Alternate Kagawa ended discussion on this matter by stating that, as President Rapozo's Alternate, he was in support of this amendment since the proposal seemed to be fair, represented a good compromise, and would provide each county an opportunity to fill the President's position on a regular basis.

The committee voted on and approved the proposed Bylaw amendment.

IV. ADJOURNMENT

The meeting was adjourned at 10:30 a.m.

Respectfully submitted,

IKAIKA ANDERSON, Secretary
Hawaii State Association of Counties



Hawaii State Association of Counties

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

15 NOV 17 21



MINUTES HSAC EXECUTIVE COMMITTEE MEETING September 11, 2015 Kalana O Maui Building, Council Chamber Wailuku, Hawaii

I. CALL TO ORDER

The HSAC Executive Committee ("Committee") was called to order by President Mel Rapozo at 11:12 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 Ikaika Anderson
- County of Maui: Treasurer Michael Victorino
- Others Present:
 - Councilmember Gladys Baisa, Maui County
 - Councilmember Don Couch, Maui County
 - Councilmember Stacy Crivello, Maui County
 - Council Chair Dru Kanuha, Hawaii County
 - Kauai staff Aida Okazaki
 - Maui staff Greg Gameau
 - Maui staff Jon Henricks
 - Maui staff Carla Nakata
 - Maui staff Kit Zuleta
 - Hawaii staff Scott Jensen
 - Hawaii staff Trixy Miller
 - Honolulu staff Denisse Gee
 - Honolulu staff Brandon Mitsuda

II. APPROVAL OF AGENDA

The Committee approved the agenda.



III. MINUTES A.

III. MINUTES

The Committee approved the minutes of the August 27, 2015, Executive Committee meeting.

IV. REPORTS

A. Treasurer's Report for August 2015, as submitted by the HSAC Treasurer.

Treasurer Victorino noted that HSAC started the month of August with a balance of \$147,512.38, expended \$6,873.73, and ended the month of August with a balance of \$140,641.15.

The Committee accepted the Treasurer's Report.

B. County Reports

1. Maui County Report. Treasurer Victorino reported on several legislative issues approved by Maui County Council, including: 1) A Resolution which urges Congress to pass the Industrial Hemp Farming Act of 2015; 2) Granting the Community Plan Advisory Committee an extension to October 30, 2015, to complete its review of the draft Molokai Community Plan Update; 3) A Resolution to include in the 2016 HSAC State Legislative Package a measure that would bring the statutory requirements imposed on a county's short-term investment portfolio to parity with the requirements imposed on the State's short-term investment portfolio.
2. Hawaii County Report. Vice President Onishi reported on several legislative matters that Hawaii County Council has been deliberating upon, including: 1) A Bill that would ban the use of certain pesticides from roads, bikeways, sidewalks, trails, waterways and parks owned or maintained by the County was withdrawn by its sponsor due to lack of support; 2) A Resolution urging Hawaii's Congressional Delegation to sponsor a Constitutional amendment to clarify that corporations are not considered individuals for the purposes of campaign contributions. In response to a query, President Rapozo answered that the 2010 U.S. Supreme Court ruling (Citizens United v. Federal Election Commission) prompted Kauai County Council to adopt a similar legislative measure; 3) A Resolution reprimanding Hawaii County Billy Kenoi for inappropriate use of his County purchasing card (commonly

known as "P-Card"). Vice President Onishi noted that he opposes this Resolution.

3. City and County of Honolulu Report. Secretary Anderson reported that the Honolulu City Council adopted Bill 20 (2015), which is expected to be signed into ordinance by the Mayor. He explained that Bill 20 (2015) amends the Land Use Ordinance, Chapter 21, Revised Ordinances of Honolulu, to establish accessory dwelling units ("ADU") as a permitted use in all residential zoning districts, encourage and accommodate the construction of ADU, increase the number of affordable rental units to alleviate the housing shortage in Honolulu, and establish land use standards for those ADU. Vice President Onishi queried whether Bill 20 (2015) would prompt a rise in the number of illegal transient vacation units ("TVU"). The Committee briefly discussed each county's enforcement practices in regards to illegal TVU.

Secretary Anderson further reported on Bill 44 (2015) which was signed into ordinance by the Mayor. He explained that Bill 44 (2015) prohibits persons from sitting or lying on public malls in the Downtown Honolulu and Chinatown areas, subject to certain exceptions.

4. Kauai County Report. President Rapozo reported on several legislative matters considered by Kauai County Council, including: 1) A Resolution requesting the State Legislature to increase the minimum wage, establish paid sick leave and broaden the applicability of existing family and medical leave entitlements prescribed in Chapter 398, Hawaii Revised Statutes, was defeated; and 2) The formation of a subcommittee to study the cost and potential benefits of switching to a County Manager system of government. He noted that any change to the existing governmental system must be approved by the electorate.

He concluded by remarking that this month marks the 23rd anniversary of Hurricane Iniki striking Kauai County.

The Committee received the county reports.

C. NACo Report

Vice President Onishi reported that the NACo Board of Directors Meeting will be held December 2 - 5, 2015, in Colorado Springs, El Paso County, Colorado.

Treasurer Victorino reported: 1) On NACo advocacy actions on Capitol Hill regarding federal Payment in Lieu of Taxes (commonly known as "PILT"); and 2) That over 100 counties nationwide have adopted resolutions to implement NACo's "Stepping Up" mental health initiative.

The Committee received the NACo report.

D. WIR Report

Treasurer Victorino reported that the 2016 WIR annual conference will be held May 25 - 27, in Jackson Hole, Teton County, Wyoming. He reminded Kauai County to submit its final report on the 2015 WIR annual conference which was held in Kauai County.

The Committee received the WIR report.

V. UNFINISHED BUSINESS

There was no unfinished business.

VI. NEW BUSINESS

Communication (September 3, 2015) from Council Chair Mel Rapozo, Kauai County Council, transmitting for the Executive Committee's consideration, A Bill for an Act Relating to Zoning to be included in the 2016 HSAC Legislative Package, which was approved by the Kauai County Council on September 2, 2015.

He explained that this measure distinguishes single-family residential use from single-family vacation rental use and allows amortization for single-family transient vacation rentals over a reasonable time period. He reminded the Committee that this measure was part of the 2015 HSAC Legislative Package.

The Committee approved this item.

VII. ANNOUNCEMENTS

A. Schedule upcoming meetings.

1. Next meeting – set for Friday, October 23, 2015, Honolulu, Hawaii.
2. The Committee also discussed possible dates for a special HSAC Executive Committee meeting to be held in September or October. A final date was not agreed upon.

B. Other announcements.

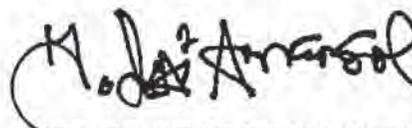
Treasurer Victorino announced several items, as follows:

1. At the next regular Committee meeting, legislation will be proposed to be included in the 2016 HSAC Legislative Package which will be similar to SB 409, SD1 and HB 198. He reminded the Committee that both bills were introduced during the 2015 Legislative Session. He noted that both measures allow for the amortization or phasing out of nonconforming single-family transient vacation rentals.
2. The next meeting of the "State-County Functions Working Group (TAT)" ("Working Group") will be held September 16, 2015, at the State Capitol. He informed the Committee that this Working Group will likely recommend two or three proposals for the 2016 Legislative Session. He concluded by recognizing Maui County Council Chair Mike White's participation in and Hawaii County Councilmember Margaret Willie's attendance at the Working Group.
3. Distribution of new HSAC credit cards for Committee members.

VIII. ADJOURNMENT

The meeting was adjourned at 12:21 p.m.

Respectfully submitted,



IKAIKA ANDERSON, Secretary
Hawaii State Association of Counties



Hawaii State Association of Counties

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



MINUTES
HSAC EXECUTIVE COMMITTEE MEETING
 August 27, 2015
 Honolulu Hale, Committee Meeting Room
 530 South King Street
 Honolulu, Hawaii 96813

I. CALL TO ORDER

The HSAC Executive Committee meeting was called to order by President Mel Rapozo at 10:40 a.m. The following members comprising a quorum were present:

County of Kauai: HSAC President Mel Rapozo, County of Kauai Council Chair

County of Hawaii: Vice President Dennis Onishi, County of Hawaii Councilmember

City and County of Honolulu: Secretary Ikaika Anderson, City and County of Honolulu Council Vice-Chair

County of Maui: Treasurer Michael Victorino, County of Maui Councilmember

Others Present: Honolulu staff Kamakana Watanabe, Legislative Analyst, Office of Council Services; Honolulu staff Brandon Mitsuda, Council Liaison, Honolulu City Council Administrative Support Services; Maui staff Kit Zulueta, Communication Director, Office of Council Services; Kauai staff Aida Okasaki, Legislative Assistant, Council Services Division;

Romy Cachola, Hawaii State Representative



II. APPROVAL OF AGENDA

The Committee approved the agenda.

III. MINUTES

The Committee approved the Minutes of the July 29, 2015 Executive Committee meeting.

IV. NEW BUSINESS

A. Presentation by State Representative Romy M. Cachola addressing the State of Hawaii Employer – Union Health Benefits Trust Fund unfunded liability.

B. Representative Cachola's presentation to the Committee related to Other Post Employee Benefits (OPEB) and Act 268, relating to the Hawaii Employer-Union Health Benefits Trust Fund which was enacted in 2013. Act 268 amended Chapter 87A, Hawaii Revised Statutes, to provide for annual public employer contributions to the OPEB by each of the counties, commencing in fiscal year 2018-2019. It also establishes a separate trust fund which will receive the employer contributions that will prefund OPEB health and other benefit plan costs for retirees and their beneficiaries. Representative Cachola introduced HB 1356, CD2 and reported that this measure would establish a stabilization fund to cover future unfunded health care liabilities for public sector retiree health care premium increases. The fund, once the public employer subaccount balance reaches at least \$2 billion in aggregate, will rely on a projected 7% interest rate to generate \$140 million per year which will be used to fund public retiree health care benefits. Representative Cachola estimates that HB 1356, CD2 will help the counties pay down the \$162 million per year the counties owe to the OPEB fund. Representative Cachola provided the committee a handout (attached).

(During discussion President Rapozo and Secretary Anderson questioned Representative Cachola: What has the State of Hawaii, Employees' Retirement System been receiving as a return on its investments? Representative Cachola believed it to be 4%. The 7% interest rate Representative Cachola is using is based on the GRS Key OPEB Assumptions, Actuary Report for December 2014. Secretary Anderson asked if the bill was still pending and it is. Representative Cachola believes that, using the method outlined in his presentation, the State of Hawaii can stretch the OPEB fund till 2036 until a solution can be found to prefunding.)

A motion was made, seconded and approved to receive the presentation.

V. REPORTS

A. Treasurer's Report

The Treasurer's Report for the month of July 2015, was submitted by the HSAC Treasurer.

Treasurer Victorino noted that for the period ended July 31, 2015, revenues totaled \$11,374.94, while expenses totaled \$6,978.23. Overall, the total HSAC account balance after accounting for revenues and expenses was \$147,512.38.

The Treasurer's Report for the month of July 2015 was approved.

B. County Reports

1. Maui County Report. Treasurer Victorino reported that Maui County Council passed a \$4 million debt forgiveness for a Maui homeless resource center and affordable housing project. The debt forgiveness represents Maui's commitment to resolving its homeless problems. The Council is discussing the concept of tiny houses for the homeless. Furthermore, the Council is pursuing legislation to reduce from 10,000 sq. ft. to 5,000 sq. ft. or 7,500 sq. ft., the square footage limit on ohana units to help increase affordable housing.

Maui County Council is also working on rain water and catchment systems. The Council would like to see utilization of present water resources without spending more money on developing new resources. Treasurer Victorino noted that a bill on smoking at bus stops has moved forward and that the Maui Ethics Commission has approved lobbyists' registration conducted online. Further, the Council approved the repeal of the county's decal law that banned stickers on back and side windows of motor vehicles. Also, the Maui County Department of Health is looking at new rules for cesspools because new proposed upgrade requirements may create a significant hardship on homeowners. Finally, a bill regulating roadside stands and farmer markets is being reviewed by the Council. Treasurer Victorino hopes the bill will help to feature local farmers and products and eliminate the special permit needed to have these stands or markets.

2. Hawaii County Report. Vice President Onishi reported that Hawaii County Council is looking into not using "Round-Up" herbicide. The Council will be working on an alternative. (A discussion ensued regarding implementing the State wide ban.)

3. City and County of Honolulu Report. Secretary Anderson reported the following items for the City and County of Honolulu: 1) Honolulu City Council passed Bill 30 which removed the exemption of credit unions, from real property tax. 2) The Council also passed Bill 42, establishing a fund allowing for the City to financially assist those business that are either displaced or have financial difficulties because of the rail project. 3) The passing of Bill 24 relating to car sharing will establish a car sharing program in Honolulu that allows Honolulu residents to rent a car and pick up and drop off that car at numerous and convenient locations around Oahu beyond what the current car rental model allows. 4) Further, the Council passed Bill 45 relating to baby changing accommodations, which provides for baby changing accommodations to be made available at both men's and women's restroom facilities in areas open to the public, provided that certain amounts are spent on renovations to existing bathrooms or if new bathrooms are being constructed. 5) The Council passed Bill 44 relating to public/pedestrian malls in the downtown and Chinatown areas, which prohibits sitting and lying down on these mall during certain hours. Mayor Caldwell vetoed Bill 44, and the Council is considering an override of the veto. 6) Finally, the Council passed Bill 46, CD1. This bill will prevent people from camping, erecting tents or structures or engaging in certain other activities on City-owned stream banks. 7) The next Honolulu City Council meeting will be on Wednesday, Sept. 2nd.

Secretary Anderson noted that the Zoning and Planning Committee passed out Bill 20, which is a Land Use Ordinance amendment that allows accessory dwelling units up to 800 sq. ft. in size to be added to existing dwelling units on a residential lot. The major component to Bill 20 would be the allowance of a second kitchen.

(Discussion ensued regarding B&B's and TVU's in response to Bill 20. Further, discussion on Bill 24 (relating to car sharing) was had, including a question as to whether taxi companies had objected to the bill. Secretary Anderson was unsure, but requested Mr. Mitsuda to hand out a copy of the bill to all members. President Rapozo asked if baby diaper changing rooms would be required if the business has a "family" or unisex restroom.)

4. Kauai County Report. President Rapozo began by noting that Kauai County Council has repealed its barking dog ordinance. The Kauai Humane Society was supposed to validate the complaint but in most cases they did not. All cases have been thrown out due to the lack of verification of the complaint, therefore the ordinance has been repealed. President Rapozo went on to note that Kauai

Councilmember Kagawa would like to stop having term limits for the Council. Also, a \$15 minimum wage is being discussed on Kauai. The Council would like to put the issue of a \$15 minimum wage on the HSAC legislative package, as in 2019, the Council would like to see a \$15 minimum wage. President Rapozo noted that a \$10 minimum wage would shut down a lot of small businesses. Also, Kauai Mayor Carvalho is expected propose a .5% GET surcharge for Kauai County. This surcharge would generate an \$8 million increase in revenue, however it was pointed out to Mayor Carvallho that the \$8 million figure was incorrect and the surcharge would actually generate \$23 million increase.

Finally, the State is concerned about the ohia trees on Kauai in light of the hurricane season.

(A discussion ensued regarding the \$15/hour minimum wage. This wage increase was not passed by Kauai County Council. Further discussion ensued regarding the traffic problems of Kapaa, Kauai and possibly using the revenues from the GET surcharge to find solutions to alleviate the traffic in Kapaa.)

A motion was made, seconded and approved to receive the county reports.

C. NACo Report

Treasurer Anderson received a report from the NACo President Sally Clark requesting that NACo representatives participate fully in NACo meetings.

A motion was made, seconded and approved to receive the NACo Report.

D. WIR Report

No report.

E. 2015 Hawaii State Association of Counties Annual Conference Report

Treasurer Victorino thanked all who were involved in putting on the HSAC Annual Conferences for doing a wonderful job. No complaints were received. Treasurer Victorino notes that the program was a great success.

Treasurer Victorino gave the financial report: Total budget of \$127,417.67. Expenses \$85,589.64. Total revenue: \$41,828.03.

(President Rapozo would like Secretary Anderson to draft a thank you letter to Maui County for hosting the HSAC Conference to be presented next meeting.)

A motion was made, seconded and approved to receive the 2015 Hawaii State Association of Counties Annual Conference Report.

VI. UNFINISHED BUSINESS

No unfinished business.

VII. NEW BUSINESS

Communication (08/18/2015) from HSAC Treasurer Michael P. Victorino, transmitting for the Executive Committee's review and approval: 1) a draft letter to Carbonaro CPAs & Management Group, and 2) a draft Audited Financial Statements (with Independent Auditor's Report) for the years ended June 30, 2014 and 2015.

Treasurer Victorino reported that copies of transmittals and review of draft letters as well as the draft audit have been completed. Treasurer Victorino reports that because of WIR and having a very successful HSAC Conference, HSAC made an excess of \$200,000 in revenues and HSAC may have to pay taxes on those revenues, which put HSAC in a new category of taxes. Treasurer Victorino noted that the auditors found no problems in completing the audit. Treasurer Victorino is unsure as to the amount of the taxes to be paid are and he does not believe there will be penalties on the revenues.

A motion was made, seconded and approved to receive the item.

VIII. ANNOUNCEMENTS

- A. Treasurer Victorino announced that the deadline of September 11, 2015 for the HSAC legislative package will not be met by Maui County Council because the Maui County will not meet until September 18, 2015.

President Rapozo stated that he will accept the package past September 11, 2015. Treasurer Victorino estimates that the Maui County HSAC package will be ready by September 20, 2015.

Treasurer Victorino reported that the HSAC legislative package from Maui County will include measures relating to the sunshine law, short term investment policy and the approval and bargaining unit of negotiation. Treasurer Victorino and his colleagues feel it is unfair that the Governor has five votes for the State and the counties have only four votes.

**Hawai'i State Association of Counties (HSAC)
Counties of Hawai'i, Kaua'i, Maui, and City & County of Honolulu**

August 20, 2015

RECEIVED

'15 AUG 20 P3:27

HSAC President and
Members of the Executive Committee

OFFICE OF
THE COUNTY CLERK
COUNTY OF KAUAI

Dear President and Members:

SUBJECT: TREASURER'S REPORT FOR JULY 2015

Attached please find a report of the Association's revenues and expenses for the period of July 1 through July 31, 2015.

Sincerely,



MICHAEL P. VICTORINO
HSAC Treasurer

Attachment

ocs:proj:hsac:FY2016:16ltr:1507ltr:mkz



IV. REPORTS A.

4396 Rice Street, Suite 209, Lihu'e, Kaua'i, Hawai'i 96766, (808) 241-4188

Hawaii State Association of Counties
REVENUES COLLECTED AND EXPENSES PAID
 Period: July 1, 2015 through July 31, 2015

BEGINNING BALANCE				\$ 143,115.67
	Current Period	FY 2016	FY 2016	
	July	Year to Date	Budget	
REVENUES				
Membership Fees	\$0.00	\$0.00	\$43,680.00	
Conference Income	\$0.00	\$0.00	\$15,000.00	
Interest Income	\$2.54	\$2.54	\$28.00	
Corporate Sponsorship	\$0.00	\$0.00	\$0.00	
Miscellaneous	\$10,000.00	\$10,000.00	\$0.00	
NACo Prescription Drug	\$1,372.40	\$1,372.40	\$6,000.00	
Fund Balance, prior FY	\$0.00	\$0.00	\$107,164.00	
Total	\$11,374.94	\$11,374.94	\$171,872.00	
Total Receipts This Period				\$11,374.94
EXPENSES				
Executive Committee				
Travel-Air and Ground	\$539.29	\$539.29	\$15,500.00	
Auditing Services	\$0.00	\$0.00	\$5,000.00	
Stationery	\$0.00	\$0.00	\$150.00	
Miscellaneous	\$159.40	\$159.40	\$2,000.00	
Online Quickbooks Monthly Fee	\$41.55	\$41.55	\$500.00	
Special Committees				
Travel	\$0.00	\$0.00	\$500.00	
Miscellaneous	\$0.00	\$0.00	\$100.00	
NACo				
Board Travel-Air and Ground	\$2,407.97	\$2,407.97	\$18,000.00	
Steering Committees Travel-Air and Ground	\$0.00	\$0.00	\$6,000.00	
Promotional	\$0.00	\$0.00	\$250.00	
Dues	\$0.00	\$0.00	\$27,268.00	
Miscellaneous	\$1,315.53	\$1,315.53	\$1,000.00	
WIR				
WIR Travel-Air and Ground	\$2,514.49	\$2,514.49	\$9,000.00	
WIR Promotional	\$0.00	\$0.00	\$2,250.00	
WIR Dues	\$0.00	\$0.00	\$3,804.00	
WIR Miscellaneous	\$0.00	\$0.00	\$1,000.00	
WIR 2015 Conference	\$0.00	\$0.00	\$5,755.00	
OTHER				
Adjustments for Travel and Related Expenses	\$0.00	\$0.00	\$10,795.00	
National Conference Fund	\$0.00	\$0.00	\$44,000.00	
Prescription Drug Scholarship Program	\$0.00	\$0.00	\$7,500.00	
County Leadership Institute Attendee	\$0.00	\$0.00	\$3,000.00	
Prescription Drug Promotion	\$0.00	\$0.00	\$5,000.00	
HSAC Promotion	\$0.00	\$0.00	\$3,500.00	
Total	\$6,978.23	\$6,978.23	\$171,872.00	
Total Expenses This Period				\$6,978.23
ENDING BALANCE				\$ 147,512.38
IV. REPORTS A.				
ocs:proj:hsac:FY2016:16tr:1507tr:mkz				

Hawai'i State Association of Counties (HSAC)
Counties of Hawai'i, Kaua'i, Maui, and City & County of Honolulu

'15 NOV 17 P1:18

November 17, 2015

THE
CC

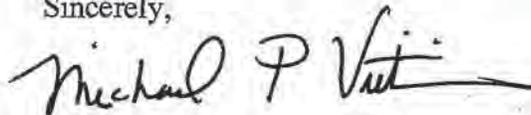
HSAC President and
Members of the Executive Committee

Dear President and Members:

**SUBJECT: TREASURER'S REPORT FOR SEPTEMBER AND
OCTOBER 2015**

Attached please find reports of the Association's revenues and expenses for the periods of September 1 through September 30, 2015 and October 1 through October 31, 2015.

Sincerely,



MICHAEL P. VICTORINO
HSAC Treasurer

Attachments

ocs:proj:hsac:FY2016:16ltr:1509ltr:mkz

IV. REPORTS A. 1 AND 2.

4396 Rice Street, Suite 209, Lihu'e, Kaua'i, Hawai'i 96766, (808) 241-4188

Hawaii State Association of Counties
REVENUES COLLECTED AND EXPENSES PAID
 Period: September 1, 2015 through September 30, 2015

BEGINNING BALANCE				\$140,641.15
	Current Period September	FY 2016 Year to Date	FY 2016 Budget	
REVENUES				
Membership Fees	\$0.00	\$0.00	\$43,680.00	
Conference Income	\$28,780.02	\$28,780.02	\$15,000.00	
Interest Income	\$2.67	\$7.71	\$28.00	
Corporate Sponsorship	\$0.00	\$0.00	\$0.00	
Miscellaneous	\$0.00	\$10,000.00	\$0.00	
NACo Prescription Drug	\$0.00	\$1,372.40	\$6,000.00	
Fund Balance, prior FY	\$0.00	\$0.00	\$107,164.00	
Total	\$28,782.69	\$40,160.13	\$171,872.00	
Total Receipts This Period				\$28,782.69
EXPENSES				
Executive Committee				
Travel-Air and Ground	\$852.25	\$2,401.63	\$15,500.00	
Auditing Services	\$0.00	\$3,906.25	\$5,000.00	
Stationery	\$0.00	\$0.00	\$150.00	
Miscellaneous	\$187.91	\$548.95	\$2,000.00	
Online Quickbooks Monthly Fee	\$41.55	\$124.65	\$500.00	
Special Committees				
Travel	\$0.00	\$0.00	\$500.00	
Miscellaneous	\$0.00	\$0.00	\$100.00	
NACo				
Board Travel-Air and Ground	\$0.00	\$4,152.17	\$18,000.00	
Steering Committees Travel-Air and Ground	\$0.00	\$0.00	\$6,000.00	
Promotional	\$0.00	\$0.00	\$250.00	
Dues	\$0.00	\$0.00	\$27,268.00	
Miscellaneous	\$0.00	\$1,315.53	\$1,000.00	
WIR				
WIR Travel-Air and Ground	\$0.00	\$2,514.49	\$9,000.00	
WIR Promotional	\$0.00	\$0.00	\$2,250.00	
WIR Dues	\$0.00	\$0.00	\$3,804.00	
WIR Miscellaneous	\$0.00	\$0.00	\$1,000.00	
WIR 2015 Conference	\$0.00	\$0.00	\$5,755.00	
OTHER				
Adjustments for Travel and Related Expenses	\$0.00	\$0.00	\$10,795.00	
National Conference Fund	\$0.00	\$0.00	\$44,000.00	
Prescription Drug Scholarship Program	\$0.00	\$0.00	\$7,500.00	
County Leadership Institute Attendee	\$0.00	\$0.00	\$3,000.00	
Prescription Drug Promotion	\$0.00	\$0.00	\$5,000.00	
HSAC Promotion	\$0.00	\$0.00	\$3,500.00	
Total	\$1,111.71	\$14,963.67	\$171,872.00	
Total Expenses This Period				\$1,111.71
ENDING BALANCE				\$168,312.13

IV. REPORTS A, 1 AND 2.

Hawaii State Association of Counties
REVENUES COLLECTED AND EXPENSES PAID
 Period: October 1, 2015 through October 31, 2015

BEGINNING BALANCE				\$165,312.13
	Current Period October	FY 2016 Year to Date	FY 2016 Budget	
REVENUES				
Membership Fees	\$43,680.00	\$43,680.00	\$43,680.00	
Conference Income	\$41,828.86	\$70,608.88	\$15,000.00	
Interest Income	\$3.27	\$10.98	\$28.00	
Corporate Sponsorship	\$0.00	\$0.00	\$0.00	
Miscellaneous	\$0.00	\$10,000.00	\$0.00	
NACo Prescription Drug	\$1,279.60	\$2,652.00	\$6,000.00	
Fund Balance, prior FY	\$0.00	\$0.00	\$107,164.00	
Total	\$86,791.73	\$126,951.86	\$171,872.00	
Total Receipts This Period				\$86,791.73
EXPENSES				
Executive Committee				
Travel-Air and Ground	\$670.94	\$3,080.57	\$15,500.00	
Auditing Services	\$0.00	\$3,906.25	\$5,000.00	
Stationery	\$0.00	\$0.00	\$150.00	
Miscellaneous	\$348.95	\$897.90	\$2,000.00	
Online Quickbooks Monthly Fee	\$41.55	\$166.20	\$500.00	
Special Committees				
Travel	\$0.00	\$0.00	\$500.00	
Miscellaneous	\$0.00	\$0.00	\$100.00	
NACo				
Board Travel-Air and Ground	\$2,352.20	\$6,504.37	\$18,000.00	
Steering Committees Travel-Air and Ground	\$1,109.31	\$1,109.31	\$6,000.00	
Promotional	\$0.00	\$0.00	\$250.00	
Dues	\$26,751.00	\$26,751.00	\$27,268.00	
Miscellaneous	\$0.00	\$1,315.53	\$1,000.00	
WIR				
WIR Travel-Air and Ground	\$1,425.47	\$3,939.96	\$9,000.00	
WIR Promotional	\$0.00	\$0.00	\$2,250.00	
WIR Dues	\$0.00	\$0.00	\$3,804.00	
WIR Miscellaneous	\$0.00	\$0.00	\$1,000.00	
WIR 2015 Conference	\$0.00	\$0.00	\$5,755.00	
OTHER				
Adjustments for Travel and Related Expenses	\$0.00	\$0.00	\$10,795.00	
National Conference Fund	\$0.00	\$0.00	\$44,000.00	
Prescription Drug Scholarship Program	\$0.00	\$0.00	\$7,500.00	
County Leadership Institute Attendee	\$0.00	\$0.00	\$3,000.00	
Prescription Drug Promotion	\$0.00	\$0.00	\$5,000.00	
HSAC Promotion	\$0.00	\$0.00	\$3,500.00	
Total	\$32,707.42	\$47,671.09	\$171,872.00	
Total Expenses This Period				\$32,707.42
Return of 2015 Conference Seed Money				\$5,000.00
ENDING BALANCE				\$227,396.44

IV. REPORTS A. 1 AND 2.

Hawai'i State Association of Counties (HSAC)
Counties of Kaua'i, Maui, Hawai'i & City & County of Honolulu

February 5, 2016

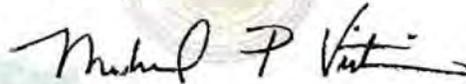
Members of the Executive Committee

Dear Members:

SUBJECT: TREASURER'S REPORT FOR JANUARY 2016

Attached please find a report of the Association's revenues and expenses for the period of January 1 through January 31, 2016.

Sincerely,



MICHAEL P. VICTORINO
HSAC President

Attachment

ocs:proj:hsac:FY2016:16ltr:1601ltr:mkz



Hawaii State Association of Counties
REVENUES COLLECTED AND EXPENSES PAID
 Period: January 1, 2016 through January 31, 2016

BEGINNING BALANCE				\$219,378.93
	Current Period January	FY 2016 Year to Date	FY 2016 Budget	
REVENUES				
Membership Fees	\$0.00	\$43,680.00	\$43,680.00	
Conference Income	\$0.00	\$70,608.88	\$15,000.00	
Interest Income	\$3.78	\$22.35	\$28.00	
Corporate Sponsorship	\$0.00	\$0.00	\$0.00	
Miscellaneous	\$0.00	\$10,000.00	\$0.00	
NACo Prescription Drug	\$1,124.00	\$3,776.00	\$6,000.00	
Fund Balance, prior FY	\$0.00	\$0.00	\$107,164.00	
Total	\$1,127.78	\$128,087.23	\$171,872.00	
Total Receipts This Period				\$1,127.78
EXPENSES				
Executive Committee				
Travel-Air and Ground	\$1,125.39	\$5,537.16	\$15,500.00	
Auditing Services	\$0.00	\$3,906.25	\$5,000.00	
Stationery	\$0.00	\$0.00	\$150.00	
Miscellaneous	\$1,140.35	\$2,211.57	\$2,000.00	
Online Quickbooks Monthly Fee	\$41.55	\$290.85	\$500.00	
Special Committees				
Travel	\$0.00	\$0.00	\$500.00	
Miscellaneous	\$0.00	\$0.00	\$100.00	
NACo				
Board Travel-Air and Ground	\$0.00	\$7,906.69	\$18,000.00	
Steering Committees Travel-Air and Ground	\$0.00	\$1,109.31	\$6,000.00	
Promotional	\$0.00	\$0.00	\$250.00	
Dues	\$0.00	\$26,751.00	\$27,268.00	
Miscellaneous	\$40.00	\$1,390.69	\$1,000.00	
WIR				
WIR Travel-Air and Ground	\$691.00	\$4,630.96	\$9,000.00	
WIR Promotional	\$0.00	\$0.00	\$2,250.00	
WIR Dues	\$0.00	\$0.00	\$3,804.00	
WIR Miscellaneous	\$0.00	\$0.00	\$1,000.00	
WIR 2015 Conference	\$0.00	\$0.00	\$5,755.00	
OTHER				
Adjustments for Travel and Related Expenses	\$0.00	\$0.00	\$10,795.00	
National Conference Fund	\$0.00	\$0.00	\$44,000.00	
Prescription Drug Scholarship Program	\$0.00	\$0.00	\$7,500.00	
County Leadership Institute Attendee	\$0.00	\$0.00	\$3,000.00	
Prescription Drug Promotion	\$0.00	\$0.00	\$5,000.00	
HSAC Promotion	\$0.00	\$0.00	\$3,500.00	
Total	\$3,038.29	\$53,734.48	\$171,872.00	
Total Expenses This Period				\$3,038.29
ENDING BALANCE				\$217,468.42

Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

200 S. High Street, Wailuku, Hawaii 96793 (808) 270-7665

www.hicounties.com



April 14, 2016

Councilmember Michael P. Victorino, President
Hawaii State Association of Counties
200 S. High Street, 8th Floor
Wailuku, HI, 96793

Dear President Victorino:

SUBJECT: FISCAL YEAR 2017 PROPOSED ANNUAL OPERATING BUDGET

As Treasurer of the Hawaii State Association of Counties (HSAC), I am submitting the proposed annual operating budget for Fiscal Year (FY) 2017. The proposed budget details incorporate the following assumptions and changes:

1. Membership Fees of \$10,920 for each county will remain the same.
2. Conference Income will increase to \$18,000 for the June conference to be hosted by the Hawaii County Council.
3. Interest Income will remain the same.
4. The NACo Prescription Drug Marketing Fee revenue will stay the same at \$6,000.
5. The Total Revenues and Fund Balance will stay the same at \$171,872.
6. Executive Committee Travel-Air and Ground will remain at \$15,500 (\$350 x 3 members x 10 meetings + \$5,000 members' travel costs to State Legislature).
7. Executive Committee Auditing/Professional Services will remain the same.
8. Executive Committee Stationary will remain the same.
9. Executive Committee Miscellaneous will remain the same.
10. Online Quickbooks Monthly Fee expense of \$500 will remain the same.
11. Special Committee Travel will remain the same
12. Special Committee Miscellaneous will remain the same.
13. NACo Travel-Board Air and Ground will remain the same at \$18,000 (\$1,500 x 4 Board Directors x 3 meetings).
14. NACo Travel-Steering Committee-Air and Ground will remain the same (\$1,500 x 2 Steering Committee members x 2 meetings).
15. NACo Promotional will remain the same.
16. NACo and WIR dues will remain the same.
17. NACo Miscellaneous will be increasing to \$2,000.
18. WIR Travel-Air and Ground will remain at \$9,000 (\$1,500 x 2 Board members x 3 meetings).
19. WIR Promotional will be eliminated (\$2,250) and moved to HSAC Promotion and Outreach.



20. WIR Miscellaneous will be increasing to \$2,000.
21. WIR 2015 Conference (\$5,755) will be zeroed out and money added to HSAC Promotion and Outreach.
22. WIR Miscellaneous and NACo Miscellaneous (\$1,000 each) will remain the same.
23. Adjustments for Travel and Related Expenses will remain the same.
24. The National Conference Fund will stay the same at \$44,000.
25. The Prescription Drug Scholarship Program will remain the same at \$7,500.
26. The County Leadership Institute Attendee expense will remain the same at \$3,000.
27. The Prescription Drug Scholarship Program will remain at \$5,000.
28. HSAC Promotion has been changed to HSAC Promotion and Outreach. This amount has been increased by \$6,005 to \$9,505 to help cover costs related to communicating HSAC activities and reports to its members, other government officials, and the public.

It is my recommendation that all four counties submit their approval or disapproval of the proposed annual operating budget to the HSAC Executive Committee before the May 2016 meeting of the HSAC Executive Committee.

Malama Pono,

A handwritten signature in black ink, appearing to read "I. Anderson", is written over a faint, larger version of the same signature.

Ikaika Anderson
HSAC Treasurer

Attachment

HSAC FISCAL YEAR (FY) 2016-2017 PROPOSED OPERATING BUDGET

	FY 2016	FY2017
	Budget	Budget
<u>REVENUES</u>		
1. Membership Fees	\$43,680	\$43,680
2. Conference Income	\$15,000	\$15,000
3. Interest Income	\$28	\$28
4. Corporate Sponsorship	\$0	\$0
5. Miscellaneous	\$0	\$0
6. NACo Prescription Drug Marketing Fee	\$6,000	\$6,000
Fund Balance, prior FY	\$107,164	\$107,164
TOTAL REVENUES AND FUND BALANCE	\$171,872	\$171,872
<u>EXPENSES</u>		
1. Executive Committee Travel-Air and Ground	\$15,500	\$15,500
2. Executive Committee Auditing/Professional Services	\$5,000	\$5,000
3. Executive Committee Stationery	\$150	\$150
4. Executive Committee Miscellaneous	\$2,000	\$2,000
5. Online QuickBooks Monthly Fee	\$500	\$500
1. Special Committee Travel	\$500	\$500
2. Special Committee Miscellaneous	\$100	\$100
1. NACo Travel-Board-Air and Ground	\$18,000	\$18,000
2. NACo Travel-Steering Committees-Air and Ground	\$6,000	\$6,000
3. NACo Promotional	\$250	\$250
4. NACo Dues	\$27,268	\$27,268
5. NACo Miscellaneous	\$1,000	\$2,000
1. WIR Travel-Air and Ground	\$9,000	\$9,000
2. WIR Promotional	\$2,250	\$0
3. WIR Dues	\$3,804	\$3,804
4. WIR Miscellaneous	\$1,000	\$2,000
5. WIR 2015 Conference	\$5,755	\$0
1. Adjustments for Travel and Related Expenses	\$10,795	\$10,795
2. National Conference Fund	\$44,000	\$44,000
3. Prescription Drug Scholarship Program	\$7,500	\$7,500
4. County Leadership Institute Attendee	\$3,000	\$3,000
5. Prescription Drug Promotion	\$5,000	\$5,000
6. HSAC Promotion and Outreach	\$3,500	\$9,505
TOTAL EXPENDITURES	\$171,872	\$171,872
BALANCE	\$0	\$0

Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

200 S. High Street, Wailuku, Hawaii 96793 (808) 270-7665

www.hicounties.com



May 24, 2016

Councilmember Michael P. Victorino, President
Hawaii State Association of Counties
200 S. High Street, 8th Floor
Wailuku, HI, 96793

Dear President Victorino:

SUBJECT: TREASURER'S REPORT FOR APRIL 2016

Attached please find a report of the Association's revenues and expenses for the period of April 1 through April 30, 2016.

Malama Pono,

Ikaika Anderson
HSAC Treasurer

Attachment



Hawaii State Association of Counties
REVENUES COLLECTED AND EXPENSES PAID

Period: April 1, 2016 through April 30, 2016

BEGINNING BALANCE				\$212,778.20
	Current Period	FY 2016	FY 2016	
	April	Year to Date	Budget	
REVENUES				
Membership Fees	\$0.00	\$43,680.00	\$43,680.00	
Conference Income	\$0.00	\$70,608.88	\$15,000.00	
Interest Income	\$3.49	\$25.84	\$28.00	
Corporate Sponsorship	\$0.00	\$0.00	\$0.00	
Miscellaneous	\$0.00	\$10,000.00	\$0.00	
NACo Prescription Drug	\$0.00	\$3,776.00	\$6,000.00	
Fund Balance, prior FY		\$0.00	\$107,164.00	
Total	\$3.49	\$128,090.72	\$171,872.00	
Total Receipts This Period				\$3.49
EXPENSES				
Executive Committee				
Travel-Air and Ground	\$770.90	\$6,308.06	\$15,500.00	
Auditing Services	\$0.00	\$3,906.25	\$5,000.00	
Stationery	\$79.32	\$79.32	\$150.00	
Miscellaneous	\$169.61	\$2,381.18	\$2,000.00	
Online Quickbooks Monthly Fee	\$41.55	\$332.40	\$500.00	
Special Committees				
Travel	\$0.00	\$0.00	\$500.00	
Miscellaneous	\$0.00	\$0.00	\$100.00	
NACo				
Board Travel-Air and Ground	\$0.00	\$7,906.69	\$18,000.00	
Steering Committees Travel-Air and Ground	\$0.00	\$1,109.31	\$6,000.00	
Promotional	\$0.00	\$0.00	\$250.00	
Dues	\$0.00	\$26,751.00	\$27,268.00	
Miscellaneous	\$0.00	\$1,390.69	\$1,000.00	
WIR				
WIR Travel-Air and Ground	\$0.00	\$4,630.96	\$9,000.00	
WIR Promotional	\$0.00	\$0.00	\$2,250.00	
WIR Dues	\$0.00	\$0.00	\$3,804.00	
WIR Miscellaneous	\$0.00	\$0.00	\$1,000.00	
WIR 2015 Conference	\$0.00	\$0.00	\$5,755.00	
OTHER				
Adjustments for Travel and Related Expenses	\$0.00	\$0.00	\$10,795.00	
National Conference Fund	\$0.00	\$0.00	\$44,000.00	
Prescription Drug Scholarship Program	\$0.00	\$0.00	\$7,500.00	
County Leadership Institute Attendee	\$0.00	\$0.00	\$3,000.00	
Prescription Drug Promotion	\$0.00	\$0.00	\$5,000.00	
HSAC Promotion	\$0.00	\$0.00	\$3,500.00	
Total	\$1,061.38	\$54,795.86	\$171,872.00	
Total Expenses This Period				\$1,061.38
ENDING BALANCE				\$211,720.31

Another issue that Maui County Council will be discussing is legislation to allow for police to issue a civil fine for various violations instead of traditional citations so that the county can keep the revenues instead of revenues going to the State.

Vice President Onishi would like to start the HSAC legislative package process earlier in the year. He also would like members to speak to the State representatives from their respective counties to get their support for HSAC's legislative package, as well.

Secretary Anderson reported that the HSAC legislative package from the City and County of Honolulu may include measures relating to mopeds, couples in care home facilities, and a third that is pending.

President Rapozo reported that HSAC legislative package from Kauai may include measures on amortization and the sunshine law.

B. Schedule the next meeting:

Thursday, September 11, 2015, Maui County, 11:00 a.m.

C. Other announcements.

IX. ADJOURNMENT

The meeting was adjourned at 12:15 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'I. Anderson', with a stylized flourish at the end.

IKAIKA ANDERSON, Secretary
Hawaii State Association of Counties