



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 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
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.

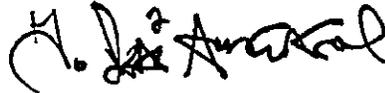
Treasurer Victorino concluded by stating that he has always approached his HSAC duties as a team player, noting that when the Executive Committee wanted to support issues such as the GET extension and medical marijuana dispensaries, he supported HSAC's positions, even though his Maui County Council colleagues 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', written in a cursive style.

IKAIKA ANDERSON

Secretary

Hawaii State Association of Counties