

OFFICE OF THE MAYOR
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 300 • HONOLULU, HAWAII 96813
PHONE: (808) 768-4141 • FAX: (808) 768-4242 • INTERNET: www.honolulu.gov



KIRK CALDWELL
MAYOR

ROY K. AMEMIYA, JR.
MANAGING DIRECTOR
GEORGETTE T. DEEMER
DEPUTY MANAGING DIRECTOR

April 20, 2018

The Honorable Trevor Ozawa, Chair
and Members
Committee on Budget
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Ozawa and Councilmembers:

SUBJECT: Executive Operating Budget Bill 15 (2018) CD1 Amendments from
the Special Budget Committee Meeting of April 11 and 12, 2018

Thank you for allowing us to discuss our concerns regarding the CD1
recommendations made during the Special Budget Committee Meeting of
April 11 and 12, 2018. As a follow up to the testimony provided, we are submitting
the attached information on specific amendments as you and other Councilmembers
deliberate on the City's operating budget. Included are the responses from the
following departments:

- Office of the Mayor
- Office of the Managing Director
- Department of Budget and Fiscal Services
- Department of Community Services
- Department of Corporation Counsel
- Department of Customer Services
- Department of Design and Construction
- Department of Enterprise Services
- Honolulu Emergency Services Department
- Department of Environmental Services
- Department of Facility Maintenance
- Honolulu Fire Department
- Department of Human Resources

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The Honorable Trevor Ozawa, Chair
and Members
April 20, 2018
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- Department of Information Technology
- Department of Land Management
- Department of Medical Examiner
- Department of Parks and Recreation
- Department of Planning and Permitting
- Honolulu Police Department
- Department of Transportation Services

Should you have any questions regarding this information, please contact Nelson H. Koyanagi, Jr., Director, Department of Budget and Fiscal Services, at 768-3901.

Warm regards,



Roy K. Amemiya, Jr.
Managing Director

Attachment

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KIRK CALDWELL
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April 20, 2018

MEMORANDUM

TO: Roy K. Amemiya Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr. Director
Department of Budget and Fiscal Services

FROM: Raelynn Nakabayashi, Administrative Services Officer
Office of the Managing Director 

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 & 12, 2018.

Attachment

OFFICES OF THE MAYOR & MANAGING DIRECTOR

April 19, 2018

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MAYOR - ADMINISTRATION

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(15,000)	GN	Reduce funding for OC3212 Travel Expense – Out of State

Department's Comments and Concerns:

The amount of \$27,000 is based on the Mayor's actual travel expenditures of \$24,641 in FY 2017. Major City issues and priorities require that the Mayor travel off-island multiple times a year. Recent trips have included:

- Rail related meetings with the Federal Transit Administration officials in Arizona and meetings in Japan with Hitachi, Tokyu, Seibu & Japan Railways.
- Municipal Bond Rating Agency presentations and General Obligation Bond issuances in San Francisco, California.
- As a member of Climate Mayors, the Mayor will continue to travel across the country to meet with like-minded Mayors in the pursuit of policy and legislation that leads to meaningful action in addressing Climate Change.
- In addition to these project and policy initiatives, the Mayor travels off-island to attend US Conference of Mayors meetings and participate in various Sister City events.

MAYOR – CONTINGENCY FUND

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(10,000)	GN	Reduce funding for OC 3998 – Contingency Other

Department's Comments and Concerns:

The amount of \$30,000 will be used to cover such expenditures as:

- Community outreach and engagement – the Mayor has and will continue to host community meetings and press events around important issues facing Honolulu. Transparency and the solicitation of public feedback is a pillar of this Administration.
- Showcasing Honolulu – the Mayor will continue to promote Honolulu to dignitaries from around the country and the world. When dignitaries visit Honolulu, contingency funds are utilized to purchase reciprocal gifts and provide cultural and educational opportunities to our guests.
- Appreciation for Volunteers – the City is fortunate to have the support of over 30 Boards and Commissions; all of which are made up of volunteers. The Mayor utilizes contingency funds to thank these unpaid volunteers for their countless hours of service and dedication to Honolulu.

OFFICES OF THE MAYOR & MANAGING DIRECTOR

April 19, 2018

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MANAGING DIRECTOR – CITY MANAGEMENT

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(100,000)	GN	Reduce funding for OC 3990 – Other Fixed Charges

Department’s Comments and Concerns:

The amount of \$100,000 will fund costs associated with the US Conference of Mayor’s Annual Meeting which will be held in Honolulu in June 2019. The U.S. Conference of Mayors will bring 300 Mayors and over 1,500 participants from across the country to our City. As the host City of this large event, the Office of Economic Development (OED) will be soliciting a contract for an Event Coordinator, forming a Working Committee and a Steering Committee to begin the planning process in FY 2018. FY 2019 funds (\$100,000) have been requested to cover additional event costs such as gifts to the attendees, transportation for participants, and cultural/educational evening events for the Mayors. The anticipated breakdown of the FY 2019 funds are as follows:

\$10,000	Hospitality: Leis; hand-outs and promotional gifts
\$10,000	Printing: Brochures, banners and signage
\$20,000	Cultural Performances: Honorariums to priests and performers, who will provide opening event prayers, olis. Musical/hula performances at City-hosted events (up to four events during the conference and three “Late Night” events).
\$60,000	Transportation: For mayors and representatives to three “Late Night” events (required to be hosted following “Evening events”)

MANAGING DIRECTOR – CULTURE AND THE ARTS

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(1,500)	GN	Reduce funding for OC 1102 – Non-Holiday Overtime Pay

Department’s Comments and Concerns:

The amount of \$3,000 will be used to pay staff overtime during the “busy” seasons such as November/December/January with City Lights and May/June/July with summer events such as: Mango Jam Honolulu & La Ho’iho’i’ Ea. Staff may be required to work 7 days a week & 10+ hours a day during these peak seasons.

OFFICES OF THE MAYOR & MANAGING DIRECTOR

April 19, 2018

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MANAGING DIRECTOR – CULTURE AND THE ARTS (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(10,000)	GN	Reduce funding for OC 2804 – Other Electrical Supplies & Materials

Department's Comments and Concerns:

The amount of \$15,000 is used to fund expenditures related to the production of Kapolei City Lights; which is the only event of its kind servicing the west side community in our Second City. While the Department of Customer Services partners with the Friends of Honolulu City Lights to produce the annual Honolulu City Lights parade and exhibits, the Mayor's Office of Culture and the Arts takes the lead for Kapolei City Lights. These funds are used for various expenditures such as supplies, displays, décor, entertainment and other opening night costs.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(40,000)	GN	Reduce funding for OC 3006 – Other Professional Services

Department's Comments and Concerns:

The amount of \$72,000 is used to fund expenditures for various cultural programs and events as well as MOCA's two main events: Kapolei City Lights and Mango Jam Honolulu. MOCA promotes and assists many community groups with events and cultural festivals on the Civic Grounds. Some of the notable events have been: Korean Festival, Hispanic Festival, Hawaii Book & Music Festival, Veg Fest and the Honolulu Magazine's Best Fest. The funding in OC3006 is used to support events on City grounds as well as cultural events and programs across the island.

OFFICES OF THE MAYOR & MANAGING DIRECTOR

April 20, 2018

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MANAGING DIRECTOR – OFFICE OF HOUSING

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(20,000)	GN	Reduce funding for OC 3004 – Consultant Services

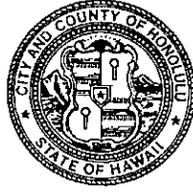
Department’s Comments and Concerns:

The AmeriCorps Vista Program is new to the City and is being coordinated through the Office of Climate Change, Sustainability and Resiliency (CCSR). As a program of a federal agency, the Corporation for National and Community Service, AmeriCorps VISTA members are committed to the eradication of poverty through capacity building in local communities. Our City contribution of \$20,000 per VISTA leverages an \$80,000 return in a one-year service commitment from a qualified AmeriCorps VISTA.

The VISTA in the Office of Housing will be dedicated to capacity building work around data, its use in performance management of programs, and visualization to facilitate greater engagement with city staff, stakeholders, and the general public. As the Office of Housing (HOU) is a one-person office with a secretary, the additional support is critical in order to bring more data and performance driven rigor to the coordinating efforts of HOU in support of the City’s work in affordable housing and homelessness. This capacity building position will support both the city and its grantees in improving our overall performance and public engagement.

DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813
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KIRK CALDWELL
MAYOR



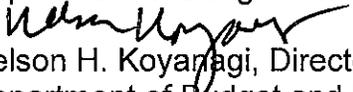
NELSON H. KOYANAGI, JR.
DIRECTOR

MANUEL T. VALBUENA
DEPUTY DIRECTOR

April 20, 2018

TO: Roy K. Amemiya Jr., Managing Director

VIA: Shelli Oye, Budgetary Administration
Department of Budget and Fiscal Services

FROM: 
Nelson H. Koyanagi, Director
Department of Budget and Fiscal Services

SUBJECT: FY 2019 Operating Budget Response (Comments and Concerns)

Attached are our agency's comments and concerns to the Council Members' proposed amendments to the executive operating budget, Bill No. 15 (2018) and executive capital budget, Bill No. 16 (2018).

ADMINISTRATION

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(5,000)	GN	Reduce funding for current expenses for OC 3212 – Travel Expense-Out-of-State

Department's Comments and Concerns:

Request restoration of the \$5,000. This funding is necessary for travel related to our issuance of City general obligation bonds. This includes meetings with bond rating agencies, bond underwriters and potential investors. Travel funds would also allow the Director or Deputy Director to attend conferences to learn about new or innovative financing strategies, etc.

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$2,000,000	TC	Add funding for current expenses

Department's Comments and Concerns:

The Transit Construction Mitigation Program should be the responsibility of the Honolulu Authority for Rapid Transportation (HART). HART has included funding for this purpose in their FY 2019 budget request. The \$2 million of City funds would be duplicative and would take funding away for needed City services.

FISCAL/CIP ADMINISTRATION

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(52,956)	CD	Reduce funding for salaries for OC 1125 – Personal Svcs – Contract Positions, reduction to FY 18 Appropriation

Department's Comments and Concerns:

The increase in CDBG-funded salaries is for increased staffing of the monitoring function in response to the 2016 audit by the Office of Inspector General (OIG) of the Department of Housing and Urban Development (HUD). HUD accepted the reorganization proposed by the City, which addressed the audit findings by clearly defining lines of authority and responsibility. Part of the reorganization involves consolidating all monitoring functions within the Federal Grants Unit in the Fiscal/CIP Administration division, which will increase the monitoring workload. Because the positions need to be filled as soon as possible to meet HUD requirements, personal services contract positions are budgeted. Monitoring is a required function of the HUD

Community Planning and Development (CPD) Program and will result in HUD monitoring findings and possible sanctions if not performed adequately by the City.

BUDGETARY ADMINISTRATION

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(9,000)	GN	Reduction – reduce funding for salaries for OC1102-Non Holiday Overtime Pay

Department's Comments and Concerns:

Request the restoration of \$6,000 of the \$9,000 reduction. The overtime requested for Budgetary Administration is below the FY18 budgeted level and projected overtime hours in FY19 were reduced to offset collective bargaining salary increases. The actual usage has been lower than the budgeted amount because overtime is carefully administered and only provided on an exception basis. The budget office's operation is fast paced, deadline oriented, and often there are requests to provide information/analysis within very tight deadlines. Although the budget schedule and work involved are carefully planned out, there are unforeseeable events such as staff shortages, system errors/patch testing, and other situations, for example, the transition of the budget publication application (FrameMaker/Patternstream to Adobe In-Design) or a patch for Advantage Budgeting System which requires additional work hours. The overtime would be needed for testing and running the application after work hours to be sure it works so that the users can then do the inputs in a timely manner in order to meet schedules and requirements.

ACCOUNTING AND FISCAL SERVICES

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(100,000)	GN	Reduce funding for salaries for OC 1101 - Regular Pay

Department's Comments and Concerns:

Request restoration of the \$100,000. Reducing funding for regular pay salaries will impact the ability of the division to pay the salaries for the warm bodies in the upcoming fiscal year. A \$100,000 reduction in funding is equivalent to two or three warm bodies and the division does not have enough other types of pay to be able to cover the proposed reduction. This reduction would severely impact the division's ability to process payroll and payroll related payments timely and to accurately process vendor payments within 30 days as required by Hawaii Revised Statutes. It would also affect the department's ability to service department and agencies with regard to budget monitoring and meeting compliance reporting deadlines and could impact timely

reporting of capital assets. The delays noted above could result in the Comprehensive Annual Financial Report (CAFR) and Single Audit deadlines not being met which could result in a decrease in federal funding and lower bond ratings resulting in higher interest rates on bonds.

PURCHASING AND GENERAL SERVICES

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(28,268)	GN	Reduce funding for salaries OC 1118 – Misc. Salary Adjustment Reduce funding to FY appropriation

Department's Comments and Concerns:

We request that \$28,268 be restored. Procurement is not an occupation where you can earn a degree in college. Becoming adept in the complex procurement laws and requirements is purely an on the job training experience, especially in Hawaii. We reallocate our Specialist positions down to entry (trainee) level for recruitment and training purposes and the funding is needed to enable us to reallocate these employees to the organizational SR level as they acquire the requisite skills, experience and satisfactory performance.

REAL PROPERTY

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(45,000)	GN	Reduce funding for current expenses for OC 3006 – Other professional services

Department's Comments and Concerns:

Request the restoration of \$25,000 of the \$45,000 reduction. We contract with Title Guaranty ("TG") to process approximately 1,000 to 2,000 documents recorded at the bureau of conveyance each month. TG sorts and indexes these documents by county and instrument type. Without TG's services, staff would need to spend time to manually sort and filter through thousands of documents each year. This would result in delays to record updates and failure to meet ordinance established deadlines. This object code also includes board of review member per diem payments of \$25 per hearing. A funding reduction could adversely impact our ability to pay the required per diem for board members attending hearings to settle properties in dispute. There are 3 boards and each board has 4-5 members. Hearings are generally held 4 times a week. There were thousands of appeal cases recently filed and are planned to be scheduled. Also,

funding is needed for other planned programs to comply with mass real estate appraisal standards and city auditor recommendations.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(5,500)	GN	Reduce funding for current expenses for OC 3821 – Auto allowances – other (non-taxable)

Department's Comments and Concerns:
Request the restoration of \$2,000 of the \$5,500 reduction. Funding of \$4,000 is needed to maintain mileage reimbursement for training sessions, board of review appeal hearings, interoffice meetings, and staff members who are required to take State of Hawaii appraisal examinations. Due, in large part, to recent retirements, we anticipate that mileage reimbursements will increase because of our need to increase the number of training sessions held to ensure our new trainee appraisers, mapping, and clerical staff receive adequate training. We have offices in Honolulu and Kapolei and most of our training sessions will be held at our Honolulu office. Additionally, we are also required to reimburse staff for mileage per collective bargaining agreements.

TREASURY

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(120,883)	GN	Reduce funding for current expenses for OC 3906 – Computer Software Maintenance Agreement

Department's Comments and Concerns:
Request restoration of \$120,883. Full funding of \$314,883 is needed for contracts supporting the City's real property collection system that Treasury Division shares with the Real Property Assessment Division. The \$120,833 increase was due to combining two separate contracts, Object Code 3004, Consultant Services, and Object Code 3906, Computer Software Maintenance Agreement, into one contract for the service. Actual FY2017 expense was \$305,826 which is consistent with our current request of \$314,883.

The software was created specifically for the City and County of Honolulu and is used to support the City's customized real property tax program. Sufficient funding is necessary to support the existing program, future required upgrades, technical support to maintain and improve program processing, and program modifications to support future directives.

Upcoming computer program modifications are needed to the Real Property tax system to comply with tax credits introduced in the Automatic Sprinkler System Bill 101 and

other enhancements such as to adjust address formats, auto-link check images to parcels, implement periodic autopay for taxpayers, and accept different forms of payment. Also, if the City decides to use the income approach for real property assessments (Bill 11), funding would be needed for program modifications.

PROVISION FOR VACANT POSITIONS (PVP)

Councilmember: Carol Fukunaga

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(2,000,000)	GN	Reduce funding for current expenses

Councilmember: Ann Kobayashi

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(5,909,817)	GN	Reduce funding for current expenses

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(2,812,700)	HW	Reduce funding for current expenses
\$(326,672)	WF	Reduce funding for current expenses

Councilmember: Ron Menor

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(100,000)	BT	Reduce funding for current expenses

Department's Comments and Concerns:

The proposed reductions in the PVP by Councilmembers represents a significant overall reduction of (36%) for all funds. Specifically by fund: general (40%), highway (43%), solid waste funds (11%), and bus transportation funds (56%). Any reduction to this provisional will adversely impact agency operations as the provisional was already reduced substantially in the Executive Budget submittal to balance the budget. Services impacted include: city parks, police radio dispatch and other public safety support, permitting and building inspections, and the maintenance of city buildings, roads, and facilities.

PROVISION FOR RISK MANAGEMENT

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(266,500)	GN	Reduce funding for Provision for Risk Management to FY18 appropriation

Department's Comments and Concerns:

Reducing the Provision for Risk Management by \$266,500 would hold the Risk Management program to FY17 levels of funding, limiting the City's ability to react to changes in the marketplace. We expect the cost of insurance to rise this year, as Hurricanes Harvey, Irma and several other catastrophes could hasten a firming of the property market, especially for locations which have hurricane exposure. Additionally, increases in replacement construction costs, investment in infrastructure such as the Kailua Wastewater Treatment Plant improvements, and the purchasing of affordable housing units has raised the total insurable value of the City's property inventory. The liability market is also facing upward pressure, as insurers focus on issues related to law enforcement, workplace harassment, and road design. The City's liability insurance program will also be adversely affected by changes in lifeguard immunity laws and several recent large lawsuit settlements

PROVISION FOR ENERGY

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(400,000)	GN	Reduce funding for current expenses

Department's Comments and Concerns:

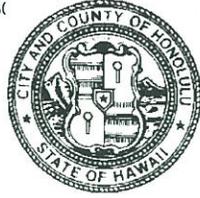
The proposed \$1.4M in General (GN) funds represents a modest reserve of 4.83% of the agencies fuel and utilities budget, with the proposed cut of \$400K it would reduce it further to 3.45%.

The previous trend of declining energy prices has reversed and energy prices have gradually begun to increase over FY17 prices. In addition, as of February 16, 2018, Hawaiian Electric implemented a base rate increase of an estimated 2.3% along with the U.S. Energy Information Administration projection of Retail Gas prices to increase 10.47% and Diesel prices to increase 12.02% between FY17 and FY19 based on an average price per gallon.

We have also continued to refine the City's energy needs projection to more accurately budget what is needed. Therefore, adequate funding of this Provisional account is essential should unforeseen events drive prices higher than projected.

DEPARTMENT OF COMMUNITY SERVICES
CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL
MAYOR

PAMELA A. WITTY-OAKLAND
DIRECTOR

April 19, 2018

TO: Roy K. Amemiya Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr. Director
Department of Budget and Fiscal Services

FROM: Pamela Witty-Oakland, Director,
Department of Community Services 

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response
(Comments and Concerns)

Attached are our agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 and 12, 2018.

Attachment

DEPARTMENT OF COMMUNITY SERVICES

April 19, 2018

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SECTION 15

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$ --	--	Amend SECTION 15.

Department's Comments and Concerns:

In FY17, language allowed the Director of the Department of Community Services and the Director of the Department of Budget and Fiscal Services to execute grant agreements. However, in FY18 this language was omitted. At the advice of COR, we request that the proposed Section 15 add the following language:

"The appendices shall constitute the Executive Operating Program for the Fiscal Year July 1, 2018 to June 30, 2019, adopted pursuant to charter, for the grants in aid fund amounts shown. The Director of the Department of Community Services and the Director of the Department of Budget and Fiscal Services are hereby authorized to enter into grant agreements relating to appropriations from the grants in aid fund and the use and administration of said appropriations as well as any other incidental agreements in connection therewith, or amendments thereto, as may be reasonably required and to expend such appropriations for the purposes described above."

DEPARTMENT OF THE CORPORATION COUNSEL
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 110 * HONOLULU, HAWAII 96813
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KIRK CALDWELL
MAYOR

DONNA Y. L. LEONG
CORPORATION COUNSEL
PAUL S. AOKI
FIRST DEPUTY CORPORATION COUNSEL

April 20, 2018

TO: Roy K. Amemiya Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM: Donna Y. L. Leong, Corporation Counsel
Department of the Corporation Counsel 

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached are the Department of the Corporation Counsel's (COR) comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11, 2018.

On behalf of the Ethics Commission (ETH), also attached are the comments and concerns of the ETH. Executive Director Jan Yamane has authorized COR to submit this on behalf of the ETH.

Thank you for your attention to this matter.

cc: Jan Yamane

LEGAL SERVICES

Councilmember: Ernest Y. Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(35,300)	GN	Reduction to CE--OC3049 Other Services-Not Classified
\$(1,500)	GN	Reduction to CE--OC3751 Fees for Memberships & Registration

COR's Comments and Concerns:

Operating expenses covered in OC3049 Other Services-Not Classified include court reporters, process servers and shredding services. COR's FY2019 request of \$173,300 is based on the actual amount expended in FY2017 (\$173,318).

The FY2019 operating expenses covered in OC3751 Fees for Membership & Registration include Hawaii State Bar Association (HSBA) dues for 50 funded COR attorneys (49 existing + 1 new) and related fees for mandatory continuing legal education; International Municipal Lawyers Association dues; and American Bar Association dues.

In order to attract and retain qualified attorneys, the FY2019 budget request also includes funding for participation by COR Deputies in training and development opportunities to develop in-house expertise (*e.g., labor and employment seminars, civil rights litigation seminars, federal grant programs, transit oriented development programs*), to keep abreast of new legal developments (*e.g., transportation network companies, online property rentals, sharing economies, small cell and distributed antenna systems, and litigation holds*), and to improve professional skills through networking and seminars (*e.g., International Municipal Attorneys Association Conferences and Seminars*).

Request restoration of the \$1,500 HART-funded increase from the FY18 appropriation to provide necessary funding for HSBA dues and related fees for mandatory continuing legal education for the new HART-funded Deputy position. Full funding of \$108,315 is needed to cover the cost of required bar association dues and mandatory continuing legal education for COR attorneys; and to provide necessary training to attract and retain qualified attorneys.

LEGAL SERVICES (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(3,000)	GN	Reduction to CE--OC3211 Travel Expense-Intrastate
\$(13,250)	GN	Reduction to CE--OC3212 Travel Expense-Out-of-State

COR's Comments and Concerns:

Full funding of the \$7,000 in OC3211 Travel Expense-Intrastate is needed to cover the cost of neighbor island depositions and other training and development opportunities to develop in-house expertise. Increasing the number of Deputies participating in those opportunities strengthens the in-house legal expertise provided by COR Deputies. *(See justification for OC3751 Fees for Memberships and Registration.)*

Full funding of the \$24,250 GN in OC3212 Travel Expense-Out-of-State is needed to cover the cost of mainland depositions and participation by COR Deputies in training and development opportunities not available in Hawaii. COR strengthens the in-house legal expertise provided by COR Deputies by providing training and development opportunities, including participation in the International Municipal Lawyers Association annual and mid-year conferences and other mainland training opportunities. *(See justification for OC3751 Fees for Memberships and Registration.)*

ETHICS COMMISSION

Councilmember: Ernest Y. Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(22,152)	GN	Reduction to S--OC1118 Misc. Salary Adjustment
\$(1,750)	GN	Reduction to CE--OC 3212 Travel Expense-Out-of-State

Ethics Commission's Comments and Concerns:

At its June 2017 meeting, and as part of strategic planning, the Ethics Commission determined that salary increases for its Executive Director and Legal Counsel (EDLC) and Associate Legal Counsel (ALC) positions were needed for parity and to attract and retain staff critical to the success of its strategic plan. Recent Charter amendments empower the Commission to set the salary of the EDLC at a rate not to exceed the First Deputy Corporation Counsel's salary. Requested salary increases are meant to catch up Ethics Commission salaries, which currently lag City agency counterparts. Full funding of \$34,068 in OC 1118 is needed to support the Commission's strategic plan.

Full funding of the \$1,750 for out-of-state travel will enable staff to attend critical ethics training not available in state or via webinar. No alternative training method is currently available.

PROVISION FOR JUDGMENTS, SETTLEMENTS AND LOSSES

Councilmember: Carol Fukunaga

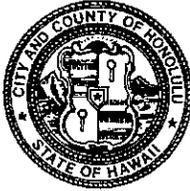
<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(2,000,000)	GN	Reduction to CE--Provisional Account

COR's Comments and Concerns:

Based on preliminary estimates, COR anticipates that the entire \$16,200,000 requested for the Provision for Judgments, Settlements and Losses in FY2019 will be required. Any cuts to this provisional account may necessitate the structuring of multi-year agreements, which generally result in higher costs to the City as a result of interest required in order to settle a case with staggered payments or by order of the court.

DEPARTMENT OF CUSTOMER SERVICES
CITY AND COUNTY OF HONOLULU

MISSION MEMORIAL BUILDING
550 SOUTH KING STREET, HONOLULU, HAWAII 96813
PHONE: (808) 768-3392 FAX: (808) 768-1591
<http://www.honolulu.gov>



KIRK CALDWELL
MAYOR

SHERI T. KAJIWARA
DIRECTOR

RANDY M. LEONG
DEPUTY DIRECTOR

April 18, 2018

MEMORANDUM

TO: Roy K. Amemiya Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM: Sheri T. Kajiwara, Director
Department of Customer Services

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 & 12, 2018.

Attachment

ADMINISTRATION

Councilmember: Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(250,000)	GN	Reduction – CE– Reduce funding for current expenses for OC 3049 – Other Services Not Classified. Reduce funding to FY18 appropriation.

Department's Comments and Concerns: This \$250,000 funds the much delayed improvements to the Waikiki publications racks. The Waikiki Publication Rack program exists as outlined in Ordinance 29-11. Rack fees were substantially raised yet no funding had previously been set aside for this purpose. Many of the racks are in poor condition and publishers deserve to have the condition of the racks attended to. The WIA and WBID are pushing for improvements.

PUBLIC COMMUNICATION

Councilmember: Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(5,000)	GN	Reduction - S– Reduce funding for salaries for OC 1102 – Non-Holiday Overtime Pay. Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns: The Public Communications Division has been identified as a resource to provide staffing support for emergency management operation needs. A reduction of \$5,000 would potentially impact the ability of the Public Communications Division to deliver on its emergency support obligations, both by the Information Branch and/or the Design and Print Center (DPC). Additionally, the division is occasionally called upon to deliver on highly time-sensitive requests for printed materials and also after-hours photo support. As the Department of Customer Service, we also provide support services for City sponsored events.

Councilmember: Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(64,476)	GN	Reduction – S – Reduce funding for salaries for OC 1125 – Personal Svcs Contract Positions. Reduce funding to FY18 appropriation.

Department's Comments and Concerns: The proposed \$64,476 reduction will result in the loss of services of an Informational Affairs Specialist, which provides city-wide communication services in conjunction with the Mayor's communications team. Historically funded, in the current FY, the department opted to use projected salary savings from another division to fund this position. The department will not have such savings this year without impacting critical front-line customer services. We are returning this to a budgeted personal services contract.

Councilmember: Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(7,300)	GN	Reduction – CE – Reduce funding for current expenses for OC 2754 – Parts & Accessories – Equipment (Furniture & Fixtures). Reduce funding to FY18 appropriation

Department's Comments and Concerns: The proposed \$7,300 reduction will impact the ability of the Public Communications Division to meet the capacity demand for storage of microfilmed records designated for permanent retention in a suitable environment within the Records Center vault, and ensuring the long-term preservation of these records. Additionally, the division would be impacted in its ability to acquire necessary dehumidification equipment related to the relocation of fragile reference materials from the Municipal Reference Center to Honolulu Hale. The inability to properly control temperature and relative humidity will accelerate the rate of inevitable deterioration for our paper-based records.

Councilmember: Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(2,550)	GN	Reduction – CE – Reduce funding for current expenses for OC 2759 – Parts/Access Equip (Other). Reduce funding to FY18 appropriation.

Department's Comments and Concerns: The proposed \$2,550 reduction will impact the ability of the Public Communications Division to acquire and deploy necessary hand tools and small parts to maintain, in working order, the printing presses and bindery equipment

in the Design and Print Center (DPC). While the division is working proactively to transition the DPC to an integrated digital workflow, the need to continue to maintain the traditional offset equipment will continue for some time. Additionally, this object line includes funds for the ongoing replacement of defective hands-free telephone equipment for the customer service staff in the Complaints Branch.

Councilmember: Ozawa

Amount	Fund	Description
\$(2,940)	GN	Reduction – CE – Reduce funding for current expenses for OC 3752 – Subscriptions. Reduce funding to FY18 appropriation.

Department's Comments and Concerns: To move the city ahead with modern technology, this \$2,940 allows all our Design and Print Center Graphic Artists access to the Adobe software license and pre-flight check subscriptions. This also funds the software license used to manage the city's records retention program, with the lifecycle of more than 10,000 records boxes currently being performed manually. The software allows more efficient electronic search and management abilities of city records in compliance with the city's General Records Schedule and the agency-specific retention schedules.

SATELLITE CITY HALL

Councilmember: Martin

Amount	Fund	Description
\$(11,334)	GN	Reduction – S – Reduce funding for salaries for OC 1125 Personal Svcs – Contract Positions. Reduce funding to FY18 appropriation.

Department's Comments and Concerns: The proposed \$11,334 reduction will impact personal services contracts (PSC) used to provide needed front-line lunch coverage. Lines & wait times will increase if we do not have PSC to provide the needed coverage. This will affect customer service. The number of PSC positions has not increased. We have 4.5 PSC – 2 PSC at Joint Base Pearl Harbor Hickam and 2.5 PSC provide lunch coverage at our busiest satellites.

MOTOR VEHICLE, LICENSING AND PERMITS

Councilmember: Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(30,000)	GN	Reduction – CE - Reduce funding for current expenses for OC 2506 – Motor Vehicle Plates, Emblems, Tags & Certificates. Reduce funding to FY18 appropriation

Department's Comments and Concerns: Actual expenditures have increased on average 5% per year. Fiscal years 2016 and 2017 actual expenditure totaled \$1,137,757, \$1,194,349 respectively, which represents a 5% increase. For fiscal year 2018 actual expenditures is showing another 5% increase. We feel that our fiscal year for 2019 correctly accounts for this steady increase that we have experienced in the previous years. Because we cannot determine or control the number of new license plates, or return plates that customers need, we are hesitant on any reduction of the currently requested budget.

Councilmember: Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(328,093)	GN	Reduction – CE – Reduce funding for current expenses for OC 3049 – Other Services – Not Classified. Reduce funding to FY18 appropriation.

Department's Comments and Concerns: The proposed cut of \$(328,093) would severely impact two ongoing contractual agreements between the city two vendors:

- 1) Animal Care and Control Contract - \$218,192 is to satisfy the negotiated increase (5% for animal care & control and fowl nuisance). This is for year 3 of the 5-year contract with the Hawaiian Humane Society. Eliminating it will cause the City to default on our agreement and require renegotiation.
- 2) Gemalto Driver License Contract - \$44,200 is needed to meet the projected increase in the 8 and 4 year cycle of driver renewals for FY19.

DEPARTMENT OF DESIGN AND CONSTRUCTION
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 11TH FLOOR
HONOLULU, HAWAII 96813
Phone: (808) 768-8480 • Fax: (808) 768-4567
Web site: www.honolulu.gov



KIRK CALDWELL
MAYOR

ROBERT J. KRONING, P.E.
DIRECTOR

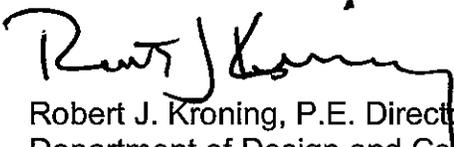
MARK YONAMINE, P.E.
DEPUTY DIRECTOR

April 17, 2018

MEMORANDUM

TO: Roy K. Amemiya, Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM: 
Robert J. Kroning, P.E. Director
Department of Design and Construction

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 & 12, 2018.

Attachment

DEPARTMENT: DESIGN AND CONSTRUCTION

April 17, 2018

Page 2

PROJECT AND CONSTRUCTION MANAGEMENT

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(20,000)	GN	Reduction: OC – 3006 – Other Professional Services. Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Request restoration of \$20,000. Full funding of \$30,000 is needed for Electrical and Mechanical engineering professional services to support in-house architectural projects to renovate City offices, e.g. Honolulu Hale and FMB office improvements. DDC may not be able to respond to requests from agencies for facility improvements in a timely manner if there is a reduction of funds.

LAND SERVICES

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(5,550)	GN	Reduction: OC – 3751 – Fees for Memberships & Registration. Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Request restoration of \$5,550. Full funding of \$12,550 is needed to provide training for the Land Division's appraisers, land surveyors, drafting technicians and field survey crews to keep abreast of the latest developments and issues related to real estate appraising and land surveying in Hawaii, as well as nationally. Pursuant to HRS 466K real estate appraisers must be licensed to practice in the State of Hawaii. In order to maintain a real estate appraisal license continuing education is mandatory. Training is essential to educate and expose staff to issues (such as shoreline, easements, and rights-of-ways) that affect the City and County of Honolulu, as well as the State of Hawaii, the Federal Government, and private sectors. If funding is reduced: (1) Not all staff will be up-to-date on current issues, where staff is often consulted and relied upon by other City agencies in regards to land issues; (2) It will make it more difficult for staff to progress in the land surveying profession and obtain professional land surveyor licensure in the State of Hawaii; (3) It takes staff many years of experience to prepare and obtain licensure. The City will need current staff to obtain licensure before the current four licensed land surveyors on staff retire.

CITY AND COUNTY OF HONOLULU

777 WARD AVENUE · HONOLULU, HAWAII 96814-2166
PHONE: (808) 768-5400 * FAX: (808) 768-5433 * INTERNET: www.honolulu.gov/des

KIRK CALDWELL
MAYOR



GUY H. KAULUKUKUI
DIRECTOR

TRACY S. KUBOTA
DEPUTY DIRECTOR

April 20, 2018

MEMORANDUM

TO: Roy K. Amemiya Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM: Guy H. Kaulukukui, Director
Department of Enterprise Services

A handwritten signature in blue ink, reading "Guy H. Kaulukukui".

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 & 12, 2018.

Attachment

Department: Enterprise Services

April 20, 2018

AUDITORIUMS

Councilmember: Ann Kobayashi

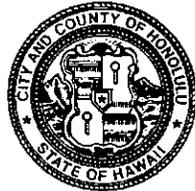
<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(100,000)	SV	Reduced funding for current expenses

Department's Comments and Concerns:

Request restoration of the \$100,000. Full funding of \$100,000 for current expenses is necessary for the operations of the Blaisdell Concert Hall, Exhibition Hall, Arena, meeting rooms, Waikiki Shell and maintenance support to the Honolulu Zoo, City concessions, six municipal golf courses and Thomas Square. A reduction in operations will significantly impact our ability to serve our customers and result in loss of revenue.

HONOLULU EMERGENCY SERVICES DEPARTMENT
CITY AND COUNTY OF HONOLULU

3375 KOAPAKA STREET, SUITE H-450 • HONOLULU, HAWAII 96819-1869
Phone: (808) 723-7800 • Fax: (808) 723-7836



KIRK CALDWELL
MAYOR

JAMES D. HOWE, JR.
DIRECTOR

IAN T.T. SANTEE
DEPUTY DIRECTOR

April 19, 2018

MEMORANDUM

TO: Roy K. Amemiya, Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM: James D. Howe, Jr.
Honolulu Emergency Services Department

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 & 12, 2018.

Attachment

ACTIVITY TITLE: OCEAN SAFETY

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$170,000)	GN	Reduce Funding for Current Expenses OC 2517 Supplies Not Classified

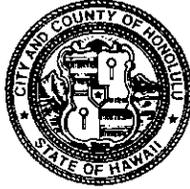
Department's Comments and Concerns:

This budget item is essential as Ocean Safety personnel, supplies and equipment will be displaced due to the refurbishment of existing facilities. The purchase of temporary facilities to use during this time and locating them in close proximity to the building being renovated will ensure the continuation of current levels of ocean safety services.

DEPARTMENT OF ENVIRONMENTAL SERVICES
CITY AND COUNTY OF HONOLULU

1000 ULUOHIA STREET, SUITE 308, KAPOLEI, HAWAII 96707
TELEPHONE: (808) 768-3486 • FAX: (808) 768-3487 • WEBSITE: <http://envhonolulu.org>

KIRK CALDWELL
MAYOR



LORI M.K. KAHIKINA, P.E.
DIRECTOR

TIMOTHY A. HOUGHTON
DEPUTY DIRECTOR

ROSS S. TANIMOTO, P.E.
DEPUTY DIRECTOR

IN REPLY REFER TO:
WAS 18-167

April 18, 2018

MEMORANDUM

TO: Roy K. Amemiya Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM: Lori M.K. Kahikina, P.E., Director
Department of Environmental Services

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 & 12, 2018.

Attachment

ACTIVITY: REFUSE COLLECTION AND DISPOSAL

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund Code</u>	<u>Description</u>
\$(50,000)	WF	Reduce funding for current expenses for OC 3004 - Consultant Services

Department's Comments and Concerns:
Recommend against this cut. This funding will be used to provide general engineering support for various Refuse Division facility support and maintenance projects for transfer stations, convenience centers, landfills, and island-wide base yards.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund Code</u>	<u>Description</u>
\$(30,000)	WF	Reduce funding for current expenses for OC 3034 - Guard & Security Services

Department's Comments and Concerns:
Recommend against this cut. This is to pay for an existing contract at contracted rates to provide guard and security services to oversee and prevent nuisances, illegal dumping and theft and vandalism at the City's refuse convenience centers, transfer stations and refuse collection yards. The guard service provides guidance to customers on proper disposal of materials at convenience centers as the only City representative at most of those sites.

DEPARTMENT OF ENVIRONMENTAL SERVICES

April 18, 2018

Page 3

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund Code</u>	<u>Description</u>
\$(20,000)	WF	Reduce funding for current expenses for OC 3262 - Printing and Binding

Department's Comments and Concerns:

Recommend against this cut. The City anticipates making changes to its curbside refuse and recycling collection systems and routes that will require mailing informational packets to the affected households. Such changes have not occurred in the past few years and would not show in past expenses. Additionally, the City anticipates the printing of informational fliers and handouts will be required with its transition to a user fee system for refuse collection services.

DEPARTMENT OF FACILITY MAINTENANCE
CITY AND COUNTY OF HONOLULU

1000 Ulu'ohia Street, Suite 215, Kapolei, Hawaii 96707
Phone: (808) 768-3343 • Fax: (808) 768-3381
Website: www.honolulu.gov

KIRK CALDWELL
MAYOR



ROSS S. SASAMURA, P.E.
DIRECTOR AND CHIEF ENGINEER

EDUARDO P. MANGLALLAN
DEPUTY DIRECTOR

IN REPLY REFER TO:
18-080

April 20, 2018

MEMORANDUM

TO: Roy K. Amemiya, Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM:  Ross S. Sasamura, P.E., Director and Chief Engineer
Department of Facility Maintenance

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comment and Concerns)

Attached are our agency's comments and concerns to Bill No. 15 amendments from the Special Budget Committee meeting of April 11 & 12, 2018.

Attachment

ACTIVITY TITLE: PUBLIC BUILDING AND ELECTRICAL MAINTENANCE (PBEM)

Councilmember: Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$80,000)	GN	Reduce funding for current expenses for O.C. 1102 – Non-Holiday Overtime Pay.

Department's Comments & Concerns:

Request restoration of \$80,000. Full funding of \$293,246 is needed. PBEM uses overtime judiciously to fund work that would adversely affect office productivity or the general public due to noise, dust, or other work-environment factors, e.g. repair and maintenance and utility work, when performed during normal work hours. Overtime is also used to respond to emergency situations such as cleaning fouled cellblocks, plumbing backups, incidents compromising security (broken locks and windows), etc.; emergency response such as staffing the City's emergency operating center; support of special events on the grounds of Civic Center; and when several trades are required for a test, repair or replacement of a building system.

ACTIVITY TITLE: PUBLIC BUILDING AND ELECTRICAL MAINTENANCE (PBEM)

Councilmember: Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$15,000)	GN	Reduce funding for current expenses for O.C. 2454 – Diesel.

Department's Comments & Concerns:

Request restoration of \$15,000. Full funding of \$17,160 is needed. Though the larger agencies such as the Honolulu Police Department and Honolulu Fire Department now refill their own emergency-generator fuel storage tanks, DFM continues to replace diesel used in smaller facilities and DIT radio sites after testing and/or use.

ACTIVITY TITLE: PUBLIC BUILDING AND ELECTRICAL MAINTENANCE (PBEM)

Councilmember: Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$15,000)	GN	Reduce funding for current expenses for O.C. 2602 – Hardware.

Department's Comments & Concerns:

Request restoration of \$15,000. Full funding of \$44,415 is needed for hardware such as door locks and keys, door closures, hinges, nails, screws, cabinetry hardware, etc. in all City facilities under DFM's jurisdiction. A reduction to the FY19 funding request would be extremely detrimental to carpentry and cabinetry repairs and replacement required at City facilities.

ACTIVITY TITLE: **PUBLIC BUILDING AND ELECTRICAL MAINTENANCE (PBEM)**
Councilmember: **Ozawa**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$20,000)	GN	Reduce funding for current expenses for O.C. 2605 – Plumbing.

Department's Comments & Concerns:

Request restoration of \$20,000. Full funding of \$80,000 is needed for supplies used in the repair of faucets, lavatories, water closets, bath tubs and showers, urinals, irrigation systems, water coolers and heaters, drains, fire sprinklers, etc. in all City facilities under DFM jurisdiction.

ACTIVITY TITLE: **PUBLIC BUILDING AND ELECTRICAL MAINTENANCE (PBEM)**
Councilmember: **Ozawa**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$14,000)	GN	Reduce funding for current expenses for O.C. 3041 – Liquid Waste Disposal (including management services).

Department's Comments & Concerns:

Request restoration of \$14,000. Full funding of \$15,000 is needed for contracted liquid waste disposal is used to remove cesspool waste, remove contaminated liquid from plugged sump pumps, and proper disposal of liquids removed from interstitial space in underground fuel storage tanks. Adequate funding for this type of work allows DFM to meet mandated requirements for hazardous waste disposal.

ACTIVITY TITLE: **PUBLIC BUILDING AND ELECTRICAL MAINTENANCE (PBEM)**
Councilmember: **Ozawa**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$350,000)	GN	Reduce funding for current expenses for O.C. 3208 Projects By Contracts-Services (Non IRS Form 1099). Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments & Concerns:

Request restoration of \$350,000. Full funding of \$450,000 is needed to support work programs including medium-sized repainting, repaving, and reroofing projects at existing facilities. Among the projects planned for FY19 is the repainting of Wahiawa Police Station and Satellite City Hall (\$100,000); repainting of Dan Liu Building (\$80,000); repainting of Mission Memorial Reference Center (\$100,000 including lead abatement); repainting of Pearl City Police Station (\$150,000); and repaving of DFM Kokea Yard (\$25,000).

ACTIVITY TITLE: **PUBLIC BUILDING AND ELECTRICAL MAINTENANCE (PBEM)**
Councilmember: **Ozawa**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$1,000,000)	GN	Reduce funding for current expenses for O.C. 3302 - Electricity.

Department's Comments & Concerns:

Request restoration of \$1,000,000. Full funding of \$7,773,122 is needed for electrical service for all DFM corporation yards, vertical well pumps and monitors for landslide areas in Woodlawn and Moanalua, various City buildings, irrigation systems, and lighting at various municipal surface parking lots. Electrical costs in FY18 have been on a monthly average approximately 15% greater than FY17 with no significant increase in usage. A reduction in the FY19 request for electricity will adversely affect the overall ability of the repair and maintenance branch to perform their work to offset any funding shortfalls.

ACTIVITY TITLE: **PUBLIC BUILDING AND ELECTRICAL MAINTENANCE (PBEM)**
Councilmember: **Ozawa**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$100,000)	GN	Reduce funding for current expenses for O.C.3304 - Water.

Department's Comments & Concerns:

Request restoration of \$100,000. Full funding of \$557,631 is needed to provide water service for all DFM corporation yards, various City buildings, and irrigation systems at various median strips and municipal surface parking lots.

ACTIVITY TITLE: **PUBLIC BUILDING AND ELECTRICAL MAINTENANCE (PBEM)**
Councilmember: **Ozawa**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$100,000)	GN	Reduce funding for current expenses for O.C. 3305 - Sewer.

Department's Comments & Concerns:

Request restoration of \$100,000. Full funding of \$709,686 is needed for sewer fees for DFM corporation yards and various City buildings.

**ACTIVITY TITLE: ADMINISTRATION – SWQ & CHIEF ENGINEER’S OFFICE
(CEO)**

Councilmember: **Ozawa**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$58,600)	GN	Reduce funding for salaries for O.C. 1102 – Non-Holiday Overtime Pay. Reduce funding commensurate to actual expenditures in FY17.

Department’s Comments & Concerns:

Request restoration of \$58,600. Full funding of \$89,600 is needed. Due to vacant positions and unavailability of staff due to temporary assignment, overtime is necessary to perform priority work in both CEO Personnel and the SWQ Branch. A reduction will adversely affect CEO Personnel to process personnel actions and address budgetary issues. It will also adversely impact SWQ’s ability to provide adequate supervision and oversight of the various permit-required volunteer clean-up and outreach events that typically occur on weekends and after hours. It is expected that the number of events will increase each year as it is absolutely necessary that the City advocate for increased participation from the public and its community members in order to effectively manage the rising costs for compliance. Without these overtime salaries, the branch may be exposed to liability related to safety issues resulting from having inadequate personnel to monitor and supervise these City sponsored events.

ACTIVITY TITLE: ADMINISTRATION (SWQ & CEO)

Councilmember: **Ozawa**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$13,000)	GN	Reduce funding for current expenses for O.C. 2401 – Educational, Recreational & Scientific Supplies.

Department’s Comments & Concerns:

Request restoration of \$13,000; full funding of \$48,000 is needed to provide volunteers with necessary clean-up (i.e. trash bags) and safety supplies (i.e. gloves, eye protection, safety vests, etc.) as required by permit for approximately 80 clean-up events that support thousands of volunteers and volunteer hours, that resulted in the removal of nearly 6,000 bags and over 30 tons of trash and debris throughout the island per year.

Over the course of FY19, it is expected that the branch will focus on increasing these numbers to demonstrate to regulators our efforts to comply with the City’s island-wide trash reduction strategies to reduce trash by 50% by 2023. In order to meet these requirements, it will require increased participation from both government agencies and the public. Funding reductions will also prevent SWQ from performing its permit required monitoring and sampling activities through the use of water quality monitoring test probes that require frequent replacements.

Additionally, the branch is expecting to purchase a replacement pole mounted camera when performing its mandatory storm drain inspections. The current device is over 10 years old and in need of being replaced. The cost for a replacement pole mounted camera is \$17,000.

ACTIVITY TITLE: **ADMINISTRATION (SWQ)**
Councilmember: **Ozawa**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$1,000,000)	GN	Reduce funding for current expenses for O.C. 3004 – Consultant Services.

Department's Comments & Concerns:

Request restoration of \$1,000,000. Full funding of \$8,396,000 is needed for SWQ to meet its current National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) permit requirements, specifically related to 3rd Party Construction Inspections, Private Wastewater Spill Response, Total Maximum Daily Load (TMDL) Asset Management Studies and technical assistance related to Trash Reduction Implementation Programs and DFM's stream maintenance permits, which are currently not being funded nor does the SWQ Branch have the resources or personnel to implement these programs in-house within the timeframe required by the permit.

Specifically, the permit requires the City to conduct a detailed asset management study of its resources and operations within TMDL related watersheds that SWQ estimates at \$300,000. SWQ is also expecting the number of CIP projects that it manages to increase, thereby triggering additional monthly 3rd Party Construction Inspections over the course of the fiscal year at a cost of \$200,000. Additionally, SWQ expects increased technical services involving ongoing monitoring and inspections that will be required related to the City's island-wide trash reduction plans and stream maintenance permits that are expected to start implementation in FY19 at a cost of \$200,000 and \$300,000, respectively.

Each of these programs includes an expedited schedule that will involve developing a detailed implementation plan and procedures that will be heavily reliant upon hiring outside consultants to effectively manage each of these critical programs. Failure to comply with the existing and new permit requirement will result in significant fines (\$37,500 per day per violation) and the City being placed under a court-ordered Consent Decree enforced by both the Federal (Environmental Protection Agency) and State (Department of Health) agencies.

ACTIVITY TITLE: **ADMINISTRATION – STORM WATER QUALITY (SWQ)**
Councilmember: **Martin**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$75,020)	GN	Reduce funding for current expenses for OC 3906 – Computer Software Maintenance Agreement.

Department's Comments & Concerns:

Request restoration of \$75,020. Full funding of \$81,920 is needed for SWQ's NPDES MS4 storm water web-based compliance management database system (CityWorks) annual user licenses (\$3,000 x 25 users). CityWorks database program is currently being used by SWQ personnel to track all permit related inspections, enforcement, monitoring and outreach activities that are required under the City's National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Water Sewer System (MS4) permit. Previously, the cost for licenses was built into the contract agreement with the selected vendor that was tasked with developing the database program for the branch. The program has since been completed and has been turned over to the branch for implementation. However, user licenses will no longer be covered under the agreement; therefore, SWQ will need to pull funds from its operating budget to cover these costs going forward. Without this funding, the branch will be forced to obtain funds from other expenses that could potentially result in the branch not complying with its permit requirements.

ACTIVITY TITLE: **ADMINISTRATION (SWQ)**
Councilmember: **Ozawa**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$15,000)	GN	Reduce funding for equipment for O.C. 4570 – Photographic Equipment.

Department's Comments & Concerns:

Request restoration of \$15,000. Full funding to \$15,000 is needed to acquire a digital push camera to conduct drain/pipe line inspections as required under the City's NPDES MS4 Permit, especially for smaller drain pipes less than 6" in diameter. SWQ currently does not have an effective means for tracking illegal drain connections that tie into the City's existing storm drainage system. Therefore, inspectors typically rely on visual observations, that do not provide SWQ inspectors with any means for tracing the illegal connection to a specific property owner or identify, if in fact, whether the private drain is allowable, which is needed in order to proceed with any further enforcement actions.

ACTIVITY TITLE: **ROAD MAINTENANCE (DRM)**
Councilmember: **Ozawa**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$150,000)	GN	Reduce funding for current expenses for O.C. 3006 – Other Professional Services. Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments & Concerns:

Request restoration of \$150,000. Full funding of \$472,671 is needed for hazardous material cleanups, environmental response services contract, consultant services for street/sidewalk projects, large equipment inspections, employee training, contract work for unforeseen storm drain cracks/leaks, dam inspection report, HPD off-duty officers for parades, and street repair, services to prepare permit applications and water quality monitoring for USACE and DOH permits, and for pavement management. Actual GN expenditures in FY17 were \$462,876.

ACTIVITY TITLE: **ROAD MAINTENANCE (DRM)**
Councilmember: **Martin**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$1,500,000)	HW	Reduce funding for current expenses for OC 3551 – Street Resurfacing. Reduce funding to FY18 appropriation.

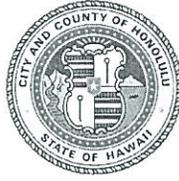
Department's Comments & Concerns:

Request restoration of \$1,500,000. Full funding of \$4,500,000 is needed for contractual pavement preservation projects (to include slurry seal and other topical treatment processes) to extend street life by "keeping good roads in good condition." Reduction of the Capital Improvement Project funds for the Rehabilitation of Streets project from previous amounts in FY17 of \$130,000,000 to the current level of \$60,000,000 would be partially offset by added pavement preservation projects that provide increased work on roadways to defer expensive roadway reconstruction projects.

HONOLULU FIRE DEPARTMENT
CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL
MAYOR



MANUEL P. NEVES
FIRE CHIEF

LIONEL CAMARA JR.
DEPUTY FIRE CHIEF

April 20, 2018

MEMORANDUM

TO: Roy K. Amemiya, Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM: Manuel P. Neves, Fire Chief 

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting on April 11 and 12, 2018.

Should you have questions, please contact Assistant Chief Scott Lawton of our Administrative Services Bureau at 723-7104 or slawton@honolulu.gov.

Attachment

DEPARTMENT: HONOLULU FIRE DEPARTMENT

April 20, 2018

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FIRE OPERATIONS

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(25,000)	GN	Reduction OC 2254 - Other Fuel and Lubricants

Department's Comments and Concerns:

Request restoration of \$25,000. Full funding of \$100,000 is needed to service and maintain the Honolulu Fire Department's (HFD) three helicopters. Past expenditures do not reflect the HFD needs. Beginning in late fiscal year (FY) 2016, fuel for the HFD's helicopters were charged to this object code. The FY 2019 request is in alignment with FY 2018 expenditures.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(25,000)	GN	Reduction OC 3005 - Medical Services

Department's Comments and Concerns:

Request restoration of \$25,000. Full funding of \$200,000 is needed for required medical services for the HFD. This fund is also utilized to pay for the services of the HFD's Medical Director and Infectious Disease Coordinator. The HFD anticipates expending \$200,000 in FY 2018. The proposed cut would reduce the HFD's FY 2019 appropriation below the forecasted FY 2018 expenditure.

**DEPARTMENT OF HUMAN RESOURCES
CITY AND COUNTY OF HONOLULU**

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KIRK CALDWELL
MAYOR

CAROLEE C. KUBO
DIRECTOR, DESIGNATE

NOEL T. ONO
ASSISTANT DIRECTOR



April 20, 2018

MEMORANDUM

To: Roy K. Amemiya Jr., Managing Director

Via: Shelli Oye, Budgetary Administration
Department of Budget and Fiscal Services

From: Carolee C. Kubo, Director, *Carolee C. Kubo*
Department of Human Resources

Subject: FY2019 Operating Budget Response (Comments and Concerns)

Attached are the Department of Human Resources' comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 and 12, 2018.

DEPARTMENT OF HUMAN RESOURCES

April 20, 2018

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ADMINISTRATION

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(10,000)	GN	Reduction: OC 3049 Other Services-Not Classified

Department's Comments and Concerns:

Requesting full restoration of funds. Funding is needed to cover costs associated with holding Internal Investigations and other training programs for employees and managers of the City. Internal Investigations Training is held approximately once a year for a cost between \$12,000 and \$15,000. The four-day course for 50 or more attendees is far less expensive to hold in-house compared to similar training available "off the shelf" at a cost in excess of \$2,000 per person. It is imperative that the City is able to demonstrate a commitment to non-discrimination through the funds it allocates to training content relevant to preventing discrimination in employment as well as programs and services delivered to the public. It is inadequate to base the reduction in funding to actual expenditures in FY16 and FY17. During FY17, training expenses were lower as a result of fewer class offerings while attempts were made to focus on attracting local trainers. Staffing and workload issues also diverted attention away from developing and delivering compliance training. We look forward to being able to provide more compliance training opportunities for managers and employees in FY19 to enhance their knowledge and skills.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(4,000)	GN	Reduction: OC 3212 Out-of-State Travel

Department's Comments and Concerns:

Requesting full restoration of funds. Full funding necessary to fund two trips in FY19.

The first trip is for the DHR ERP (Enterprise Resource Planning) Liaison to attend the annual CGI User Forum. The City has implemented CGI's Advantage suite of applications which includes Financial, Budgeting, Vendor Self Service, Human Resources, Payroll, Employee Self Service, HOKU case management and InfoAdvantage reporting modules. The CGI User Forum is the only place where users can obtain specific system training while also networking with peers from other governmental jurisdictions to collaboratively share ideas. Attendees learn about efficiencies and best practices that can result in cost savings, maximizing investment in our current system, and improved performance, productivity and accountability. In addition, the CGI User Forum provides an invaluable tool for making decisions regarding future IT upgrades and the ability to provide input into future product direction and functionality.

DEPARTMENT OF HUMAN RESOURCES

April 20, 2018

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The second trip will allow an employee from the Equal Opportunity (EO) Office to attend a national conference and/or training program designed specifically for staff who specialize in assisting their organizations in complying with civil rights mandates. The lack of sufficient funding in this object code directly impacts professional development of staff charged with the responsibility for subject matter expertise and ensuring civil rights compliance oversight of programs and services provided by the City. National conferences and training for EO subject matter specialists are not available locally. Attending national conferences and training courses provide staff exposure to professional counterparts in other jurisdictions and an opportunity to gain and enhance subject matter expertise. Travel to participate in national conferences or training in civil rights compliance is relevant not only to employment discrimination, but also the City's civil rights obligations associated with the receipt of federal funds, including those related to transportation, housing, social services, and law enforcement.

EMPLOYMENT & PERSONNEL SERVICES

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(10,000)	GN	Reduction: OC 1102 Non-Holiday Overtime Pay

Department's Comments and Concerns:

Full restoration of funds is requested. The EPS division requires overtime monies to compensate staff, some of whom are covered by federal Fair Labor Standards Act laws, to perform work related to processing collective bargaining increases, summer hire employees for Parks programs, and administering of large examinations on weekends at multiple test sites on the island. In FY19, we anticipate collective bargaining increases and summer hires that will require processing to ensure employees are properly paid, and a number of large examinations – all of which will require that we have monies available to compensate our employees who perform overtime work.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(12,000)	GN	Reduction: OC 3049 Other Services Not Classified

Department's Comments and Concerns:

Full restoration of funds is requested. Funds in this object code are used for the following activities:

- monthly drug testing pools
- sign language interpreters
- language translation services
- FBI fingerprint-based criminal history record checks

DEPARTMENT OF HUMAN RESOURCES

April 20, 2018

Page 4

Funding will allow us to continue the City's drug testing program, provide language translation services pursuant to Hawaii's language access law, and properly assess the suitability of employees/prospective employees by conducting fingerprint-based criminal history record checks (FB-CHRCs) for the categories of employees and others identified in HRS §846-2.7; i.e., individuals who work in safety sensitive or law enforcement jobs and individuals who work with vulnerable populations such as children and the elderly.

If funding is not restored, we anticipate increased liability and negative public/media attention should the City be found guilty of negligent hiring if we were to hire an employee into a job for which a FB-CHRC should have been conducted, but was not conducted due to the lack of funding.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(3,000)	GN	Reduction: OC 3752 Subscriptions

Department's Comments and Concerns:

Full restoration of funds is requested. The majority of the funds in this object code are used for compliance administration training for staff. Given the anticipated changes occurring at the federal level, we anticipate the need for full funding so that staff can attend webinars and seminars to ensure that the City remains in compliance with and properly implements any regulatory changes in areas related to the Fair Labor Standards Act, Affordable Care Act, drug and alcohol testing, and medical marijuana laws.

LABOR RELATIONS AND TRAINING

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(13,000)	GN	Reduction: OC 2401 Educational, Recreational & Scientific Supplies

Department's Comments and Concerns:

Requesting full restoration of funds. Funding is necessary to purchase new Collective Bargaining Agreements (CBA) which the City is required by contract to furnish a copy of the CBA to all new employees of the bargaining unit and to managers/supervisors charged with the administration of the particular agreement.

Actual expenditures in FY16 and FY17 are not good indicators of what is needed in FY19. Expenditures in these years were \$13,000 less because the unions did not print new agreements. We anticipate the unions, including HGEA, UPW and SHOPO printing new agreements in FY19. HGEA units 2, 3, & 4 contracts haven't been printed since 2015 and HGEA unit 13, UPW 1 & 10, and SHOPO have not been printed since

DEPARTMENT OF HUMAN RESOURCES

April 20, 2018

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2017. Funds are needed to purchase the CBA's when printed by the unions which is anticipated in FY19. We purchase approximately 5000 CBA's for managers, supervisors, and new hires in the City.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(25,000)	GN	Reduction: OC 3006 Other Professional Services

Department's Comments and Concerns:

Requesting full restoration of funds. Funding is needed to support the arbitration expenses for grievance and interest arbitrations. This includes the cost of the arbitrator, court reporter, and witness and attorney fees. Actual expenditures are based on the number of grievances proceeding to arbitration as well as contracts proceeding to interest arbitration. The Firefighters' CBA expires in June 2019 and we anticipate proceeding to interest arbitration in FY19. All HGEA units also expire in June 2019 and will proceed to interest arbitration. Additionally, we currently have 89 grievances pending arbitration at the average cost of approximately \$7,000 - \$8,000 per arbitration. It is difficult to predict future expenditures based on past actual expenditures in this line item due to the uncertainty of contract negotiations as well as the union being the moving party for all grievance arbitrations.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(15,000)	GN	Reduction: OC 3049 Other Services-Not Classified

Department's Comments and Concerns:

Requesting full restoration of funds. Funding is necessary to support the Training Branch as they continue to provide quality employee development courses in the areas of communication, supervision, management, and leadership.

Data shows that up to 50 percent of the City's workforce is eligible to retire over the next four years. Additionally, Departments are facing recruitment difficulties at all levels due to a tight labor market and the lack of a citywide structured succession program. In order to prepare the next generation of workers in the City, DHR has embarked on a new training model to address these concerns. Three new training pathways have been established to develop employees who are at the professional level or the mid to high supervisory level, and there is a pilot leadership development mentoring program for mid-level managers. In each of these pathways, groups of employees participate in a structured series of classes throughout the year. At the completion of their program, all participants are required to present a "capstone" project on improving City operations and/or effectiveness in their workplace. Partnering with the City are trainers and business consultants who specialize in organizational effectiveness, communication and performance enhancement, and management and leadership development. An additional benefit of the design of this program is the cross functional relationships that participants develop with each other that will assist in their future leadership roles with

DEPARTMENT OF HUMAN RESOURCES

April 20, 2018

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the City. This new program is in addition to our normal training curriculum offered throughout the year for all levels of employees.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(3,000)	GN	Reduction: OC 3211 Travel Expense-Intrastate

Department's Comments and Concerns:

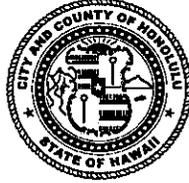
Requesting full restoration of funds. Funding is necessary as the Labor Relations Branch is contractually required to participate in Labor – Management Committee meetings as designated in the various collective bargaining agreements (i.e. up to four times per year for the Bargaining Unit 11 for firefighters and Bargaining Unit 12 for police). Since all jurisdictions are required to participate, the meetings are rotated amongst the jurisdictions and require travel.

In FY16 and FY17, we were involved in the negotiations of all nine bargaining units and there was limited opportunity for joint sessions. Therefore, actual expenditures in FY16 and FY17 are not good indicators of future expenses. Additionally, negotiations and interest arbitrations have been held on the neighbor islands in the past and funding is needed for labor relations staff to participate in these sessions.

DEPARTMENT OF INFORMATION TECHNOLOGY
CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL
MAYOR



MARK D WONG
DIRECTOR AND CIO

KEITH HO
DEPUTY DIRECTOR

April 20, 2018

MEMORANDUM

TO: Roy K. Amemiya, Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM: ~~for~~ Mark D. Wong, Director
Department of Information Technology

A handwritten signature in black ink, appearing to read "Mark D. Wong", is written over the printed name of the sender.

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 & 12, 2018.

Attachment

DEPARTMENT: INFORMATION TECHNOLOGY

April 20, 2018

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We would first like to express that the Department of Information Technology has always worked with the Department of Budget and Fiscal Services to keep our budget as low as possible, while still being able to achieve our priorities. Our FY19 budget shows a total reduction of (\$893,928). This includes an increase to our Salary costs of \$330,532, which means that in our Current Expense and Equipment areas we've actually reduced our budget by (\$1,224,460) from our FY18 allotment. With that being said, we have developed the following responses to the Councilmembers' proposed budget changes.

ADMINISTRATION

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(20,000)	GN	Reduce OC3004 funding commensurate to actual expenditures in FY16 and FY17

Department's Comments and Concerns:

A cut in funding would jeopardize the rewriting of the Payroll Time and Attendance system (PT&A). The original PT&A system was developed using Microsoft Active Server Pages (ASP). These software tools were discontinued in 2002, which was 16 years ago. Maintaining this application has become increasingly difficult since most senior developers from that era have retired. A major rewrite is critically needed in order to comply with current regulations and to migrate to a modern development environment.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(40,000)	GN	Reduce OC3006 funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Due to the loss of Mainframe support staff and difficulty of recruiting qualified replacements, we require consulting services to assist in maintenance and upgrades to keep the City's IBM mainframes operational. The mainframe platform runs the primary public safety applications, Driver License and Motor Vehicle, for the entire State of Hawaii. Along with public safety radio, this is one of the top two critical IT functions provided by the City.

DEPARTMENT: INFORMATION TECHNOLOGY

April 20, 2018

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ADMINISTRATION (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(20,000)	GN	Reduce OC3103 funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

The increase is due to the purchase of additional voice over IP phones and licensing to move OTS phone service over to the City. Shifting the cost to DIT has resulted in significant savings to the City. In addition, the legacy emergency paging system installed in the 1970's has been replaced with functionality added to our digital phone system. There has also been widespread adoption of videoconferencing by City agencies to reduce the cost of meetings.

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(8,000)	GN	Reduce OC3212 funding to FY18 appropriation.

Department's Comments and Concerns:

The user conference and training provide DIT with necessary GIS skills for the continued development and support of our critical public safety and enterprise applications, such as Lōkahi. This unified operations platform incorporates workflow, vacation rental tracking, permitting and project management, situational awareness, operations and emergency management, 3D mapping, document imaging, and policy research. All these core modules are essential components to modern daily City operations. The ability to develop software in-house typically saves acquisition costs of \$100,000 or more for each application, and is the primary reason DIT has been able to continually reduce operating costs.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(100,000)	GN	Reduce OC3302 funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

DIT has been implementing the City's new P25 radio system since November 2017. The old system will need to run in parallel with the new system for possibly two years, resulting in increased electricity usage as sites go live. If funding is not restored, higher rates and consumption may cause expenses to exceed the budget.

DEPARTMENT: INFORMATION TECHNOLOGY

April 20, 2018

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ADMINISTRATION (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(125,000)	GN	Reduce OC3401 funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Implementation of the new radio system is continuing as scheduled. Both the old and new systems will be running concurrently until the new system is fully operational. Maintenance for the old system can safely be reduced, however replacement parts necessary for maintenance of the new system will be an ongoing cost.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(13,000)	GN	Reduce OC3402 funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Since the activation of the new radio system is imminent, DIT will reduce maintenance for the old system. However some funding will need to be retained for replacement parts as maintenance on the new system commences.

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(207,349)	GN	Reduce OC3906 funding to FY18 appropriation.

Department's Comments and Concerns:

Software maintenance is a non-discretionary expense, annual increases are standard in software maintenance agreements. Failure to pay will result in the discontinuation of some applications adversely affecting City services and operations.

DEPARTMENT: INFORMATION TECHNOLOGY

April 20, 2018

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ADMINISTRATION (continued)

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(200,000)	GN	Reduce OC4620 funding to FY18 appropriation.

Department's Comments and Concerns:

This line item is to replace the central network equipment for the City. The existing equipment core is now 16 years old and must be replaced. The existing network equipment has been end-of-life since 10/31/2016. Current products support the increased standards for security, scalability, speed, and processing power required by the current generation of applications, data, voice over IP, video, and radio systems.

ERP-CSR

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(20,000)	GN	Reduce OC1102-Non-Holiday Overtime Pay funding commensurate with FY16 and FY17.

Department's Comments and Concerns:

The amount requested for overtime is required to compensate staff for afterhours work during emergencies, which seem to be occurring more frequently. Emergency events require our personnel to provide systems support and technical assistance to their client Agencies. For example, when collective bargaining contracts are renegotiated, our staff often receives the new contracts with minimal time to test and implement these changes. Staff overtime is required to ensure the contracts are in place and payroll can be processed in a timely manner.

DEPARTMENT OF LAND MANAGEMENT
CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL
MAYOR

SANDRA S. PFUND
DIRECTOR

April 19, 2018

MEMORANDUM

TO: Roy K. Amemiya, Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM: Sandra S. Pfund, Director *Sandra S. Pfund*
Department of Land Management

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached are this agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 & 12, 2018.

Attachment

ADMINISTRATION

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(506,156)	GN	Delete 26 FTEs and reduce funding for salaries

Department's Comments and Concerns:

Request restoration of 26 authorized positions. During FY18, the HGEA approved the transfer of 6 civil service positions from DFM and BFS, thereby increasing DLM's authorized position count from 22 to 28 FTE. Of these authorized positions, 10 are currently filled with staff. DLM needs to continue its long term plan of establishing the organizational framework for this Department, including development of the overall organizational chart, functional statements, and civil service position descriptions. It has taken eight (8) months just to have the organizational structure approved; likewise, the entire process of establishing this Department can take a year or more as this requires the involvement of numerous City departments such as BFS and DHR. Deletion of positions stops all progress made in setting up a working department as mandated by the Charter.

Request restoration of \$506,156 to maintain DLM's FY19 Salaries funding of \$793,790, which is only a 9.8% increase from FY18. This funding is just enough to keep the 10 current staff members employed, including the transfer of 3 actively employed staff from DFM.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(64,746)	CF	Reduce funding for salaries for OC 1119 – Sal Adj To Source Of Funds

Department's Comments and Concerns:

Request restoration of \$64,746 to fund a dedicated position that oversees transactions related to Clean Water and Natural Lands funds.

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(336,806)	GN	Reduce funding for current expenses for OC 3990 – Other Fixed Charges

Department's Comments and Concerns:

Request restoration of \$336,806 in General Funds. Effective FY19, all property management functions and positions from DFM will be transferred to DLM via a reorganization which was approved on March 30, 2018 and effective July 1, 2018. This transfer includes \$336,806 to be used to subsidize property management at Foster Gardens, Ewa Villages, and Westloch. This proposal to reduce OC 3990 by \$336,806 eliminates all funds budgeted to cover any necessary subsidy assistance to keep these properties maintained. This amount has been reduced from DFM's budget and transferred to DLM with the reorganization effective July 1, 2018 and is, therefore, essentially budget neutral.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(244,404)	GN	Reduce funding for current expenses
\$(100,000)	CF	
\$(200,000)	HD	

Department's Comments and Concerns:

Request restoration of \$243,684 in General Funds which encompasses several object codes. Breakdown of mission-critical activities for which this funding is requested:

- \$126,008 maintenance of Honolulu Affordable Housing Preservation Initiatives (HAHPI) portfolio properties where the reserve accounts cannot cover repairs;
- \$65,000 for due diligence and real estate appraisals. Transferred from BFS as part of the approved reorganization and is, therefore, essentially budget neutral;
- \$27,500 total for post-construction building carrying costs, including security services;
- \$8,370 total for office and computer supplies, and postage;
- \$7,500 for advertising and publication of notices as mandated by Charter;
- \$6,840 for lease of office equipment (eg. Xerox machine, postage meter);
- \$3,600 total for staff training and conferences, including intrastate travel expenses, to remain up to date with housing development legal requirements;
- \$8,866 total for mileage and parking reimbursements for site visits and attendance of after-hours neighborhood board meetings.

Department of Land Management

April 19, 2018

Page 4

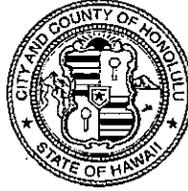
Request restoration of \$100,000 in Clean Water and Natural Lands Funds. Of this amount, \$75,000 in OC 3004 is budgeted for engineering and architectural consulting services, and \$25,000 in OC 3006 is for due diligence and real estate appraisals pertinent to Clean Water and Natural Lands transactions.

Request restoration of \$200,000 (OC 3990) in Housing Development Special Fund. These funds are to provide any necessary subsidy support to maintain Varona Village, Tenney Village, and Bachelor's Quarters. This amount has been reduced from DFM's budget and transferred to DLM with the reorganization effective July 1, 2018 and is, therefore, essentially budget neutral.

DEPARTMENT OF THE MEDICAL EXAMINER
CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL
MAYOR



CHRISTOPHER B. HAPPY, M.D.
CHIEF MEDICAL EXAMINER

MASAHIKO KOBAYASHI, M.D., Ph.D.
FIRST DEPUTY MEDICAL EXAMINER

April 17, 2018

MEMORANDUM

TO: Roy K. Amemiya, Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

CC: Shelli Oye, Budgetary Administration
Roy T. Miyamoto, Budgetary Administration

FROM: Christopher Happy, M.D., Chief Medical Examiner 
Department of the Medical Examiner

SUBJECT: FY 2019 Operating Budget Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 & 12, 2018.

Attachment

ACTIVITY TITLE:
Councilmember:

INVESTIGATIONS OF DEATHS
Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$12,000)	GN	Reduce funding for current expenses for OC – 3405 Repairs and Maintenance-Equipment (Other Equipment) commensurate to actual expenditures in FY16 and FY17.

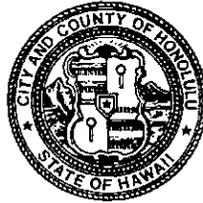
Department's Comments and Concerns:

Request funding of \$12,000 (GN) be restored. This object code includes only annual maintenance for MED's gas chromatograph, human tissue processor and new x-ray scanner. Failure to maintain these instruments can result in diagnostic error and the loss of evidentiary admissibility. Aggregate replacement cost of this essential equipment is in excess of \$750,000. These sole-source maintenance plans are necessary to ensure that proper working order is maintained, malfunctions are identified, failures are predicted and equipment replacement is deferred.

DEPARTMENT OF PARKS & RECREATION
CITY AND COUNTY OF HONOLULU

1000 Uluohia Street, Suite 309, Kapolei, Hawaii 96707
Phone: (808) 768-3003 • Fax: (808) 768-3053
Website: www.honolulu.gov

KIRK CALDWELL
MAYOR



MICHELE K. NEKOTA
DIRECTOR

JEANNE C. ISHIKAWA
DEPUTY DIRECTOR

April 19, 2018

TO: Roy K. Amemiya Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM: (for) Michele K. Nekota, Director
Department of Parks and Recreation

A handwritten signature in black ink, appearing to read "Michele K. Nekota", written over the printed name in the "FROM" field.

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 & 12, 2018.

Attachment

DEPARTMENT OF PARKS AND RECREATION

April 19, 2018

Page 2

RECREATION SERVICES

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(20,000)	GN	Reduce funding for current expenses for OC 2752 – Parts and Accessories – Equipment (Attachment to Building)

Department's Comments and Concerns:

We request restoration of \$20,000. Full funding of \$60,000 is needed to purchase new pool lifts for American with Disabilities Act (ADA) compliant access to our pools. We try to replace at least two lifts per year, but sometimes the equipment breaks down sooner, and additional lifts need to be replaced. This object code is also used to replace large air conditioning equipment when they are beyond repair.

GROUNDS MAINTENANCE

Councilmember: Joey Manahan

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$	GN	Add Proviso: "At least \$120,216 out of salaries shall be appropriated to provide park attendant service at City facilities, including Kaulawela Mall, Sun Yet-Sen Mall, and College Walk."

Department's Comments and Concerns:

This proviso makes it difficult to provide services outside of the urban Honolulu area. At this time we have not determined where we will have this pilot project to test the effectiveness of park attendants patrolling our parks.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(50,000)	GN	Reduce funding for current expenses for OC 3034 – Guard and Security Services

Department's Comments and Concerns:

We request restoration of \$50,000. Full funding of \$240,000 is needed for pilot program to contract a private security guard service to lock parking lots and comfort stations at night, at various parks in DPR District I and II (Council Districts 4, 5, 6, and 7). The intent is determine whether this will reduce individuals from remaining in the park after park closure hours and to discourage vandalism. The security guard will begin locking parking lots and comfort stations starting at park closure hours. Park staff will open the next morning 6:30AM. If this pilot program is successful we will be expanding the program to all other Council Districts. Additional funds may be needed to fund this program in all City Council Districts.

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL
MAYOR



KATHY K. SOKUGAWA
ACTING DIRECTOR

TIMOTHY F. T. HIU
DEPUTY DIRECTOR

EUGENE H. TAKAHASHI
DEPUTY DIRECTOR

April 20, 2018

MEMORANDUM

TO: Roy K. Amemiya, Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM: Kathy K. Sokugawa, Acting Director
Department of Planning and Permitting

A handwritten signature in blue ink, reading "Kathy Sokugawa".

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 and 12, 2018.

Attachment

DEPARTMENT OF PLANNING AND PERMITTING

April 20, 2018

Page 2

ADMINISTRATION

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(1,000,000)	GN	OC3004 – Consultant Services: Reduce funding close to FY18 appropriation.

Department's Comments and Concerns:

Request restoration of \$1,000,000. These funds are used to hire consultants to meet the requirements of our NPDES M-4 Permit (\$1,800,000), as required by the State Department of Health and the Federal EPA. The other funds are needed to maintain and update our various computer software that are used in permitting and plan review. Accepting this reduction will impact the department with possible Federal sanctions (i.e. consent decrees) and not being able to process permits and plans review in a timely manner.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(100,000)	GN	OC3049 – Other Services-Not Classified: Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Request restoration of \$100,000. Funds are for other services that include technical computer services, scanning of building permits, data collection and management, clean-up contractual services, etc. Accepting a reduction in this object code will impact the departments' operations in terms of reduced overall performance, including the quality of customer service and ability to initiate expanded services.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(10,000)	GN	OC3211 – Travel Expense-Intrastate: Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Request restoration of \$10,000. We have requested \$21,300 to attend the Annual HCPO (Hawaii Congress of Planning Officials) and HACBO (Hawaii Association of County Building Officials). In addition, the Directors of County Planning Agencies meet once a year to discuss legislative initiatives and issues. Accepting this reduction will result in a reduction in the number of staff that we can send to these conferences. As the largest county, the neighbor islands count on our participation when it is their turn to host the conference. Both conferences are rotated among the four main islands.

DEPARTMENT OF PLANNING AND PERMITTING

April 20, 2018

Page 3

SITE DEVELOPMENT

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(14,000)	HW	OC 3821 – Auto Allowance-Other Non-Taxable: Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Request restoration of \$14,000. The budgeted amount of \$59,000 is for auto allowance reimbursement for our Construction Inspectors. We are in the process of filling additional inspectors that was budgeted in FY2018 to meet the additional requirements of NPDES. Accepting this reduction will result in having to cutback on field inspections, possible federal sanctions (i.e. consent decree), delays in closing permits, holding up economic development, and possible inability to perform post-disaster inspections required for FEMA assistance. It will result in an increase in complaints from the public on our lack of enforcement.

LAND USE PERMITS

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(100,000)	GN	OC 3004 – Consultant Services: Reduce funding to FY18 appropriation.

Department's Comments and Concerns:

Request restoration of \$100,000. This increase is to fully fund the estimated \$200,000 cost of Phase II of the Land Use Ordinance Revision Project that was initiated in FY2018. The current zoning code was last updated comprehensively over thirty years; continuous piecemeal amendments since then have yielded an unwieldy, difficult to administer, complex document.

PLANNING

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(6,000)	GN	OC 1102 – Non-Holiday Overtime Pay: Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Request restoration of \$6,000. These funds are used to pay staff overtime to hold evening workshops, informal "pop ups", and weekend informational meetings to allow greater participation from the many stakeholder groups and community organizations spread across the Island. This relatively small amount of funding is far-exceeded by the quality of the studies, plans, and programs benefitting from public inputs. Accepting the reduction will mean a significant reduction in the quality of products, and diminished public trust in the department to meet community needs.

DEPARTMENT OF PLANNING AND PERMITTING

April 20, 2018

Page 4

PLANNING (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(300,000)	GN	OC 3004 – Consultant Services: Reduce funding.

Department's Comments and Concerns:

Request restoration of \$300,000. The funding requested in FY2019 is less than what was appropriated in FY2018 and includes a budget issue of \$100,000 to hire a consultant to help launch the Affordable Housing Program reflected under Bills 58 and 59 (2017). Funding will provide support for special projects and assignments that may arise during the fiscal year. Accepting the reduction will impact current consulting services for the Planning and TOD Divisions.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(25,000)	GN	OC 3049 – Other Services-Not Classified: Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Request restoration of \$25,000. Funds are used to rent facilities, audio visual equipment for community outreach meetings, public workshops and symposiums put on by the Planning and TOD Divisions. These funds are also available to video record the sessions to highlight meetings for those who cannot attend. Accepting this reduction, will result in reduced ability to perform public outreach.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(7,000)	GN	OC 3212 – Travel Expense-Out-of-State: Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Request restoration of \$7,000. This funding is to send two planners in the Planning Division and one planner in the TOD Division to the annual National American Planning Association Conference. In addition, we are requesting that two planners in the TOD Division attend the annual Rail-volution Conference. These conferences represent a commitment to continuing education of staff, offering new cutting edge services and programs to enhance planning and zoning responsibilities. They also offer national networking that can be used to help with local planning tasks and responsibilities. Staff members that attend these conferences bring back information that is shared with the rest of the department. Attendance at past conferences have resulted in establishing our civil fines program, third party review option, TOD planning, and implementation priorities.

DEPARTMENT OF PLANNING AND PERMITTING

April 20, 2018

Page 5

BUILDING

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(7,000)	GN	OC 1102 – Non-Holiday Overtime Pay: Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Request restoration of \$7,000. Funds are being requested for overtime to the newly created NPDES Unit, to catch up on plan reviews and permit issuance, which is especially needed to cover times of significant staff shortages, and to train new staff without sacrificing productivity. It will also allow the ability to have inspectors work afterhours and weekends when needed. Accepting this reduction, will mean that the department may not be able to process building permits that involve NPDES requirements and reduces inspectors in the field after regular business hours.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(7,000)	GN	OC 3751 – Fees for Memberships & Registration: Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Request restoration of \$7,000. With the creation of the new NPDES Unit, we anticipate the need to have them attend outside training workshops and seminars. This may also include our current Building, Electrical, and Plumbing Inspectors to meet the conditions put on the department by the State Department of Health and Federal EPA. Failure to properly train our staff may lead to a Federal Consent Decree and possible monetary fines.

Councilmember: Trevor Ozawa

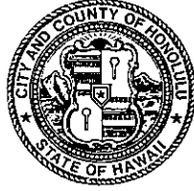
<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(42,400)	GN	OC 3821 – Auto Allowance-Other Non-Taxable: Reduce funding commensurate to actual expenditures in FY16 and FY17.

Department's Comments and Concerns:

Request restoration of \$42,400. We have budgeted \$392,400 for auto allowance reimbursement for Building, Electrical, and Plumbing Inspectors. The increase over prior years reflects the filling of the new NPDES Inspectors and other vacant inspector positions that are anticipated to be filled prior to June 30, 2018. Accepting this reduction will result in lowered productivity overall, and delayed economic development due to delay in closing permits. It will result in an increase in complaints from the public on our lack of enforcement.

POLICE DEPARTMENT
CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL
MAYOR

SUSAN BALLARD
CHIEF

JOHN D. McCARTHY
JONATHAN GREMS
DEPUTY CHIEFS

OUR REFERENCE RT-MH

April 19, 2018

MEMORANDUM

TO: Roy K. Amemiya Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM: Susan Ballard, Chief of Police

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached is the Honolulu Police Department's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11, 2018.

Your favorable consideration and support in this matter are appreciated. Should you have any questions, please have a member of your staff call Major Craig Uehira or Captain Roland Turner of the Finance Division at 723-3219.


Susan Ballard
Chief of Police

Attachment

HONOLULU POLICE DEPARTMENT

April 19, 2018

Page 2

OFFICE OF THE CHIEF

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(10,000)	GN	Reduce funding for OC 3211 - Travel Expense Intrastate

Department's Comments and Concerns:

The HPD is requesting the retention of funding in the amount of \$20,000 for travel expenses to the Hawaii State Law Enforcement Officials Association (HSLEOA) conference. This event is being held on a neighbor island in FY2019. The previous budget in FY2018 did not account for this travel expense as the event was hosted on the island of Oahu. The annual event is rotated among HSLEOA members.

The total request of \$31,898 includes HSLEOA, Police Commissioners Conference, Police Chiefs Quarterly meetings, Inter-County Criminal Intelligence Unit Conference and Labor Management Quarterly meetings.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(10,000)	GN	Reduce funding for OC 3212 - Travel Expense Out of State

Department's Comments and Concerns:

The HPD is requesting the retention of funding in the amount of \$20,000 for travel expenses to the International Association of Police Chiefs meetings as well as the Major City Chiefs Association conference. These events have a direct impact on the department's ability to effectively plan, standardize processes and procedures, and support vital communications between the major cities and police executive management.

PATROL

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(80,000)	GN	Reduce funding for OC 1102 - Non-Holiday Overtime Pay

Department's Comments and Concerns:

The HPD is requesting the retention of funding in the amount of \$80,000 as it did not account for the across the board collective bargaining increases for all bargaining units (1, 2, 3, 4, 12, and 13) within the department. Previous budgets in FY2016 and FY2017 did not account for this increase.

HONOLULU POLICE DEPARTMENT

April 19, 2018

Page 3

PATROL (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(146,768)	GN	Reduce funding for OC 2453 - Unleaded Gas

Department's Comments and Concerns:

The HPD is requesting the retention of funding in the amount of \$146,768 to provide sufficient fuel for approximately 2,000 department vehicles. The calculated amount uses the city's Department of Budget and Fiscal Services standard rate of \$2.51 per gallon multiplied by the average usage over three years.

INVESTIGATIONS

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(100,000)	GN	Reduce funding for OC 1102 - Non-Holiday Overtime Pay

Department's Comments and Concerns:

The HPD is requesting the retention of funding in the amount of \$100,000 to account for the across the board collective bargaining increases for all bargaining units (1, 2, 3, 4, 12, and 13) within the department. Previous budgets in FY2016 and FY2017 did not account for this increase.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(125,000)	GN	Reduce funding for OC 3007 - Rent of Offices

Department's Comments and Concerns:

The HPD is requesting the retention of funding in the amount of \$125,000 to provide office space for the Narcotics/Vice Division. This division previously shared space with the Hawaii High Intensity Drug Trafficking Area (HIDTA) but this will not be the case going forward. As a result, additional office rentals are needed.

NOTE: \$68,000 was removed from object code 3822 (Parking Fees) this year, offsetting this increase.

HONOLULU POLICE DEPARTMENT

April 19, 2018

Page 4

SUPPORT SERVICES

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(8,000)	GN	Reduce funding for OC 2051 - Office Supplies

Department Comments and Concerns:

The HPD is requesting the retention of funding for expenses including Communications Division's ergonomic chairs (these chairs are utilized 24/7 by 911 call takers and dispatchers who are unable to stand and walk away from their workstations due to the nature of their work), Records and Identification Division's high resolution scanners, and the Telecommunication Systems Section (TSS) and Vehicle Maintenance Section (VMS) miscellaneous supplies (e.g., toner, labels, files jackets, etc.).

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(10,000)	GN	Reduce funding for OC 2457 - Engine Oil

Department's Comments and Concerns:

The HPD anticipates purchasing fewer new vehicles in FY19 which will necessitate more marked and undercover vehicles being kept in service longer than originally anticipated. Additional repairs, replacements, and services will be needed in order to maintain operational readiness.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(10,000)	GN	Reduce funding for OC 2704 – Batteries

Department's Comments and Concerns:

The HPD anticipates purchasing fewer new vehicles in FY19 which will necessitate more marked and undercover vehicles being kept in service longer than originally anticipated. Additional repairs, replacements, and services will be needed in order to maintain operational readiness.

HONOLULU POLICE DEPARTMENT

April 19, 2018

Page 5

SUPPORT SERVICES (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(55,000)	GN	Reduce funding for OC 3049 - Other Services - Not Classified

Department's Comments and Comments:

The HPD is requesting the retention of funding in the amount of \$55,000 due to the increase in alarm tracking system billings and for the scanning and indexing of all firearms registration records. The firearms registration record system is being upgraded from an "old antiquated" paper based record system. Additionally, this funding source will be used for the Smart 911 system servicing more than 4,000 citizens, police vehicle speedometer calibration, Transmission System 1 (T1) data connectivity for the Kapolei Police Station's Alternate Dispatch Center, and custom brackets needed for subsidized police vehicle light bars.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(50,000)	GN	Reduce funding for OC 3405 - Repairs and Maint. Equip. (Other Equipment)

Department Comments and Concerns:

The HPD is requesting the retention of funding in the amount of \$50,000 for the Morpho-Trak System - Automated Fingerprint Identification System's multimodal workstation maintenance period that is up for renewal in FY2019. Additional expenses for aging telecommunications equipment and the VMS's fuel management system repairs.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(16,000)	GN	Reduce funding for OC 3821 - Auto Allowance - Other (Non-Taxable)

Department's Comments and Concerns:

The HPD is requesting the retention of funding in the amount of \$16,000 for auto allowance funding that is based on the number of personnel assigned to the bureau and set by the collective bargaining agreements.

HONOLULU POLICE DEPARTMENT

April 19, 2018

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ADMINISTRATIVE SERVICES

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(40,000)	GN	Reduce funding for OC 1102 - Non-Holiday Overtime Pay

Department's Comments and Concerns:

The HPD is requesting the retention of funding in the amount of \$40,000 for the across the board collective bargaining increases for all bargaining units (1, 2, 3, 4, 12, and 13) within the department. Previous budgets in FY2016 and FY2017 did not account for this increase.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(25,000)	GN	Reduce funding for OC 2508 - Safety Supplies

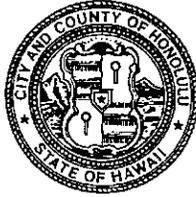
Department's Comments and Concerns:

The HPD is requesting the retention of funding in the amount of \$25,000 in order to replace automatic external defibrillators (AEDs) which are aged or out-of-service; and for the replacement of the officers' body armor. Additional expenses include barricades, traffic control devices, and personal protective equipment.

DEPARTMENT OF TRANSPORTATION SERVICES
CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL
MAYOR

WES FRYSZTACKI
DIRECTOR

JON NOUCHI
DEPUTY DIRECTOR

April 20, 2018

MEMORANDUM

TO: Roy K. Amemiya, Jr., Managing Director

VIA: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

FROM: 
Wes Frysztacki, Director
Department of Transportation Services

SUBJECT: Bill 15 (2018) Operating Budget CD1 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 15 amendments from the Special Budget Committee meeting of April 11 & 12, 2018.

Attachment

DEPARTMENT: TRANSPORTATION SERVICES

April 20, 2018

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Attachment

TRAFFIC ENGINEERING

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(1,000,000)	GN	Reduce funding for current expenses for OC 3049 – Other Services - Not Classified

Department's Comments and Concerns:

DTS respectfully requests restoration of these funds needed for public safety under Traffic Engineering. These additional funds are required for DTS to perform simple striping and signage projects that do not qualify for CIP funds. These funds may be applicable for Complete Streets and bicycle improvement projects, island wide. Under the current CIP Program and bond requirements by BFS, DTS is not able to use CIP funds for simple striping changes, installation of pre-fabricated curbing, delineators and/or installation of additional signage. These funds are needed for projects that our Department of Facilities Maintenance cannot perform in-house.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(7,000)	HW	Reduce funding for current expenses for OC 3212 – Travel Expense – Out-of-State

Department's Comments and Concerns:

DTS respectfully requests restoration of \$7,000. Full funding of \$12,000 is needed for for public safety under Traffic Engineering. Funds includes travel for three (3) employees to attend an Institute of Transportation Engineers (ITE) conference. The ITE conference is an annual conference that focuses on Transportation Engineering issues nationwide. Topics of discussion include Federal Highway Administration (FHWA) policies, multimodal planning, intersection improvements, crash analysis, rail integration, and speed mitigation.

DEPARTMENT: TRANSPORTATION SERVICES

April 20, 2018

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TRAFFIC SIGNALS AND TECHNOLOGY

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(250,000)	HW	Reduce funding for current expenses for OC 3004 – Consultant Services

Department's Comments and Concerns:

DTS respectfully requests restoration of these funds needed by the Department of Corporation Counsel (COR) for expert construction witness and consultant service cost related to the Joint Traffic Management Center. Not funding this amount will put the City at risk with our Notice of Default to the Contractor. Additional information about the use of these funds in FY 2019 will be submitted by the Department of the Corporation Counsel, as this information is attorney client privileged.

ADMINISTRATION

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$10,000)	HW	Reduce funding for current expenses for OC 3212 – Travel Expense-Out-of-State

Department's Comments and Concerns:

DTS respectfully requests restoration of \$10,000. Full funding of \$17,500 is needed for out-of-state travel in Fiscal Year (FY) 2019. Travel in FY 2019 to National conferences is particularly critical because it will give DTS representatives an opportunity to let the industry know that the City is hiring for critical positions to operate rail and enhance transportation revenue programs. The proposed cut would eliminate our Director or Deputy Director's ability to participate in several of the annual programs that are conducted off-island for critical strengthening of our growing Transit system making us unable to fully respond the charter proposal 4 made effective November 2016. The impact of the cut essentially eliminates our participation in the following programs:

- Association of Public Transit Authorities (APTA) Annual Meeting in September 2018 in Tennessee
- APTA Legislative Conference in March 2019, Washington DC
- APTA Fare Collection & Revenue Management Summit and TransITech Conference in April 2019, location yet to be determined
- Federal Transit Administration, Region 9 Meeting, date and location yet to be determined

DEPARTMENT: TRANSPORTATION SERVICES

April 20, 2018

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TRANSPORTATION PLANNING

Councilmember: Ernest Martin

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(64,476)	HW	Reduce funding for salaries for OC 1125 – Personal Svcs Contract Position

Department's Comments and Concerns:

DTS respectfully requests restoration of these funds for the Account Based Revenue Collections Systems Manager. A reorganization is in process to convert this position to permanent in a future Fiscal Year. It is being requested as a Personal Services Contract in FY 2019 to expedite hiring as there is an immediate need for staffing to address responsibilities related to the new transit smart card called "HOLO". This card was designed for use on TheBus, and in the future, the city's rail system. The position is also responsible for the advancement of other account based fee collection opportunities in parking and other programs necessary to realize revenue enhancements. Should the funding not be restored, implementation of the new transit smart card and other revenue enhancement opportunities for the City will be delayed.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(46,000)	HW	Reduce funding for current expenses for OC 3009 - Other Contractual Services

Department's Comments and Concerns:

DTS respectfully requests restoration of these funds needed for common area maintenance payments for a City owned parking structure at Lani Huli Elderly Apartments contractually required to pay.

DEPARTMENT: TRANSPORTATION SERVICES

April 20, 2018

Page 5 of 11

TRANSPORTATION PLANNING (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(49,500)	HW	Reduce funding for current expenses for OC 3405 - Repairs & Maintenance- Equipment (Other Equipment)

Department's Comments and Concerns:

DTS respectfully requests restoration of these funds needed for emergency safety repairs to off-street parking. If left unattended, public safety may be endangered. Please further note as City parking structure ages, equipment repairs become equipment replacement and money will need to be programmed before a major breakdown occurs.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(10,000)	HW	Reduce funding for current expenses for OC 3640 - Rentals-Buildings

Department's Comments and Concerns:

DTS respectfully requests restoration of \$10,000. Full funding of \$20,000 is required by agreement for Kukui Plaza Lease rent on 771 parking stalls.

PUBLIC TRANSIT

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(100,000)	BT	Reduce funding commensurate to actual expenditures in FY16 and FY17 Object Code 2030 – Materials and Supplies

Department's Comments and Concerns:

DTS respectfully requests restoration of \$100,000. Full funding of \$3,284,137 is needed for materials and supplies which includes engine oil, transmission fluid, batteries, bus wash soap, safety supplies, plant maintenance supplies, office supplies, janitorial supplies and other miscellaneous supplies. FY 2018 materials and supplies costs are currently projected to be equal to the budgeted amount of \$3,429,137. The FY 2019 budget is \$145,000 less than that. Failure to restore these funds will result in a shortage of materials and supplies that will affect TheBus and TheHandi-Van operations.

DEPARTMENT: TRANSPORTATION SERVICES

April 20, 2018

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PUBLIC TRANSIT (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(70,931)	BT	Reduce funding to FY18 appropriation Object Code 2453 – Unleaded Gas

Department's Comments and Concerns:

DTS respectfully requests restoration of these funds. Unleaded gas prices are anticipated to increase because of the increase in TheHandi-Van service hours to meet the growing Americans with Disabilities Act (ADA) demand.

Failure to restore these funds will result in a shortage of unleaded gas to operate our TheHandi-Van fleet and service vehicles, which will impact both TheBus and TheHandi-Van services.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(100,000)	BT	Reduce funding commensurate to actual expenditures in FY16 and 17 Object Code 2454 – Diesel

Department's Comments and Concerns:

DTS respectfully requests restoration of these funds. Failure to restore these funds will result in a shortage of diesel fuel to operate our bus fleet. This will impact TheBus service to the public.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(749,575)	BT	Reduce funding to FY18 appropriation Object Code 2740 – Bus Parts

Department's Comments and Concerns:

DTS respectfully requests restoration of \$749,575. Full funding of \$11,777,236 is needed based on prior usage and on the increase in prices. The average cost per TheBus service hour based on the actual amounts for the past 5 years is \$6.64 vs. the FY 2018 budgeted cost of \$6.62, which results in an increase in cost. Also because of the increase in TheHandi-Van service hours to meet the growing ADA demand, OTS is putting more miles on the vans than expected. As the fleet ages and mileage increases due to increased demand, more vehicle parts will be needed for maintenance and repairs.

DEPARTMENT: TRANSPORTATION SERVICES

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PUBLIC TRANSIT (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(20,000)	BT	Reduce funding commensurate to actual expenditures in FY16 and FY17 Object Code 2756 – Parts & Accessories – Computer Equipment

Department's Comments and Concerns:

DTS respectfully requests restoration of these funds. Requested amount (\$91,300) includes:

- 19 PC workstations for TheBus at \$1,700 per workstation for a total of \$32,300,
- \$30,000 to replace broken, unserviceable wireless access points
- 5 iPads for TheBus to launch apps needed to streamline operations, costing \$3,500
- 15 PC workstation upgrades for TheHandi-Van at \$1,700 per workstation for a total of \$25,500

These requested computer equipment items are necessary for the operations of TheBus and the TheHandi-Van.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(100,000)	BT	Reduce funding commensurate to actual expenditures in FY16 and FY17 Object Code 2759 – Parts/Access/Equip (Other)

Department's Comments and Concerns:

DTS respectfully requests restoration of \$100,000. Full funding of \$213,720 is for benches/seating and litter containers that have been requested by DFM at our Bus stops. These new containers have their openings in the front and have covers so that rain will not collect in the receptacles, causing the trash bags to become extremely heavy. DFM requested these new containers to prevent worker injuries related to lifting the heavy trash bags from top-opening containers.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(75,000)	BT	Reduce funding to FY18 appropriation Object Code 3004 – Consultant Services

Department's Comments and Concerns:

DTS respectfully requests restoration of \$75,000. Full funding of \$100,000 is needed for a consultant to do a survey required to prepare the 2019 Title VI Program per Federal Transit Administration (FTA) Circular. This survey is for rider demographics and travel patterns. Failure to restore these funds will result in noncompliance with FTA requirements and will jeopardize our federal funding.

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PUBLIC TRANSIT (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(200,000)	BT	Reduce funding commensurate to actual expenditures in FY16 and FY17 Object Code 3049 – Other Services – Not Classified

Department's Comments and Concerns:

DTS respectfully requests restoration of \$200,000. Full funding of \$2,466,975 is needed for the increase in anticipated agency trips for our Human Services Coordination Program and costs to develop software to track operating project performance data. Failure to restore these funds will result in not being able to meet the increased demand for ADA trips, which is required by the federal government. It will also result in not being able to properly monitor the agencies providing the third party agency trips, which is a requirement by the federal government.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(100,000)	BT	Reduce funding commensurate to actual expenditures in FY16 and FY17 Object Code 3070 – Services – OTS Operations

Department's Comments and Concerns:

DTS respectfully requests restoration of \$100,000. Full funding of \$8,309,158 is needed for the over 90 service contracts for TheBus and TheHandi-Van operations such as equipment maintenance, armored car service, towing service, and supplemental taxi. The overall net increase from FY 2016 and FY 2017 actual expenditures is due to \$191,500 for projects related to the Fare Collection System, an increase for Waste Oil and Water Pickup, cellular service increase for Drivermate (mobile application) tablets, telecommunication service increase for Drivermates and IVR, and an increase in Supplemental Taxi to help with the increasing demand for ADA services. Failure to restore these funds will result in a negative impact to our TheHandi-Van population. If we are not able to meet the Federal ADA requirements, we will be jeopardizing our federal funds. It could also impact the functionality of the Drivermates on the TheHandi-Vans.

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PUBLIC TRANSIT (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(24,800)	BT	Reduce funding commensurate to actual expenditures in FY16 and FY17 Object Code 3212 – Travel Expense – Out-of-State

Department's Comments and Concerns:

DTS respectfully requests restoration of \$24,800. Full funding of \$74,800 is needed:

- For PTD: Includes travel for 3 employees to attend an American Public Transportation Association (APTA) conference, 1 to attend National Transit Database (NTD) training, 2 employees to attend Transit Procurement courses, 1 employee to attend a Transit Operations Planning course, and 2 employees to attend National Transit Institute (NTI) classes related to ADA paratransit and coordinated transportation program development.

The APTA conference is an annual conference that focuses on Bus and Paratransit issues nationwide. Topics of discussion include policy and planning, operations and maintenance, technology, safety and security, procurement, and other special issues on accessible transportation.

Transit Procurement courses emphasize "best practices" for contract procurements by FTA grantee and procurement practices to improve the ability to perform cost and price analysis. These courses are necessary to ensure that we follow FTA procurement guidelines and implement them as efficiently as possible. Courses are not available through webinars.

- OTS: Includes travel for 1 employee to attend the Security Round Table (\$3,500), 1 employee to attend the APTA Bus and Paratransit Conference (\$3,500) 7 employees to attend the APTA Rodeos for Bus Maintenance and Paratransit (\$25,200), 1 employee to attend the Transit Maintenance Requirement training (\$3,400), 2 employees to attend a Trapeze User Conference (\$6,200), and 4 employees to attend computer training (\$12,000).

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PUBLIC TRANSIT (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(40,000)	BT	Reduce funding commensurate to actual expenditures in FY16 and FY17 Object Code 3302 – Electricity

Department's Comments and Concerns:

DTS respectfully requests restoration of these funds. The increase in our budget is based on the energy projections prepared by BFS. The previous trend of declining energy prices has reversed and energy prices have gradually begun to increase over FY 2017 prices.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(100,000)	BT	Reduce funding commensurate to actual expenditures in FY16 and FY17 Object Code 3906 – Computer Software Maintenance Agreement

Department's Comments and Concerns:

DTS respectfully requests restoration of \$100,000. Full funding of \$1,406,567 is needed for computer software maintenance agreements for computer functions vital to TheBus and TheHandi-Van operations. Software for scheduling, timekeeping, bus radio, accounting, and technical support at OTS.

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(16,000)	BT	Reduce funding commensurate to actual expenditures in FY16 and FY17 Object Code 3975 – Miscellaneous Expenses - OTS

Department's Comments and Concerns:

DTS respectfully requests restoration of these funds. This account includes driver abstract fees, merchant fees, bank account analysis fees, subscriptions, storage fees, EE history fees, and other miscellaneous fees. Failure to restore these funds will impact OTS' ability to pay for necessary administrative costs.

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PUBLIC TRANSIT (continued)

Councilmember: Trevor Ozawa

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(30,000)	BT	Reduce funding commensurate to actual expenditures in FY16 Object Code 4471– Data Processing Equipment

Department's Comments and Concerns:

DTS respectfully requests restoration of \$30,000. Full funding of \$50,000 is for a Solid State Storage Array to expand central storage for OTS' IT server equipment. This will increase storage and stability on their current system, and also speed up the application performance time by 4 times the normal time. Failure to restore these funds will impact the stability and performance of OTS' IT equipment.