

DEPARTMENT OF CUSTOMER SERVICES
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 302-A, HONOLULU, HAWAII 96813
TELEPHONE: (808) 768-3392 FAX: (808) 768-3750
http://www.honolulu.gov

MUFI HANNEMANN
MAYOR



2009 APR 30 A 10: 27

DANA TAKAHARA-DIAS
DIRECTOR

CITY COUNCIL
HONOLULU, HAWAII

SANDRA SAGISI
DEPUTY DIRECTOR

April 30, 2009

The Honorable Nestor Garcia, Chair
and Members of the Budget Committee
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Garcia and Councilmembers:

Subject: Budget Communication 10
Council Budget Hearing Questions

This is in response to Budget Committee questions of April 13, 2009, regarding the Department of Customer Services.

QUESTION 6.a) Please provide an overview and status report on the zone towing contract and appeals as it applies to Stoneridge Recovery.

Answer: Zone Towing contracts are not currently under the Department of Customer Services. The contract is under the Honolulu Police Department. However, Stoneridge Recoveries, LLC v. City and County of Honolulu, Department of Budget and Fiscal Services is currently pending before the Intermediate Court of Appeals (Case No. 29228).

This matter does not *per se* bar the City from awarding a contract for Tow Zones III-IV-V to another vendor. However, stays in related matters (i.e., protests of the City's re-solicitation of the towing contract and solicitation of an emergency towing contract) effectively preclude the City from soliciting new contracts while this matter is unresolved.

QUESTION 6.b) Please provide a listing of the funds lapsed in FY 2008 and projected for FY 2009. Please also identify whether these lapses are true losses or paper losses based on funds anticipated to be received from the Federal Government.

Answer:

ADMINISTRATION DIVISION

Total lapse for FY 2008 in the Administration Division was \$3,842.00.

There is a projected shortfall in FY 2009 of \$19,141.12. CSD is reviewing its operational requirements and working with the Department of Budget and Fiscal Services to identify alternatives to address this shortfall.

RECEIVED

APR 30 11 12 AM '09

CITY CLERK
HONOLULU, HAWAII

The Administration Division does not receive federal funding; therefore the second part of this question is not applicable.

PUBLIC COMMUNICATION DIVISION

The total lapse for FY 2008 in the Public Communication Division was \$106,687.25, consisting of payroll \$26,897.42 and current expense \$79,789.83.

The projected lapse for FY 2009 is \$45,310.47, consisting of payroll \$44,495.41 and current expense \$815.06.

The Public Communication Division does not receive federal funding; therefore the second part of this question is not applicable.

SATELLITE CITY HALL DIVISION

The total Satellite City Hall (SCH) lapse for FY 2008 was \$576,285.00. The majority of the lapsed funds (more than \$450,000) was due to the City's renegotiation of the Kalihi SCH's lease at City Square. As a result, the office did not need to relocate.

In FY 2009, a citywide restriction resulted in a SCH reduction of \$84,919. We intend to meet this restriction.

The Satellite City Hall Division does not receive federal funding; therefore the second part of this question is not applicable.

MOTOR VEHICLE, LICENSING AND PERMITS DIVISION

In FY 2008, the total general fund lapse for the Division of Motor Vehicle, Licensing and Permits (DMVLP) was \$784,288.45. The majority of the lapse is attributable to purchasing less office supplies. The FY 2008 budget plan was to purchase 12 months of office supplies (e.g., motor vehicle titles, registrations, receipts, envelopes, etc.) and to store these supplies in our Bethel Street storage and at another storage location (pending lease negotiations). During FY 2008, we lost the Bethel Street storage and were not able to purchase and store supplies until the Department of Facility Maintenance provided a more permanent site. We currently house supplies in a facility on Sand Island Access Road and are presently able to order the required quantities.

In FY 2009, we are subject to the citywide restriction and our unallotted general fund amount totals \$378,360. We intend to meet this restriction.

The Motor Vehicle, Licensing and Permits Division does not receive federal funding, therefore, the second part of this question is not applicable.

QUESTION 6.c) Please provide the total labor and materials cost incurred by City departments for the set up, manning, and the break down of each of the Honolulu City Lights, Kapolei City Lights events. Please also identify the amount of donations received by the respective non-profit entities and the City's regular time and over time costs.

Answer:

Although various City departments support the City Lights events in Honolulu, Kapolei, and Windward, we currently do not track the labor and material costs incurred by each department. In addition to the City's support, the program also relies heavily on the help of volunteers in the community.

The Friends of Honolulu City Lights, a non-profit organization formed 18 years ago to supplement the City's budget for the Honolulu program, received \$58,034.98 in donations for 2008.

The Friends of Kapolei City Lights received approximately \$42,000 in donations for the Kapolei 2008 program. Community organizations on the Windward side of Oahu pulled resources together to provide approximately \$3,000 to support the Windward City Lights program.

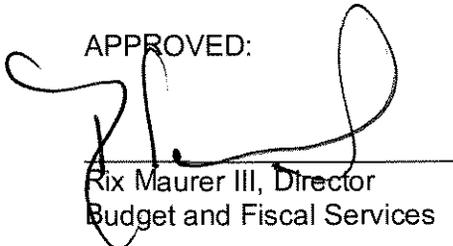
Should you need further clarification, please feel free to contact me at 768-3392.

Sincerely,



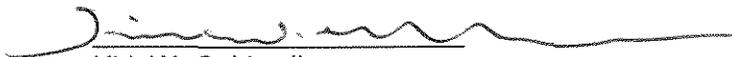
Dana Takahara-Dias, Director
Department of Customer Service

APPROVED:



Rix Maurer III, Director
Budget and Fiscal Services

APPROVED:



Kirk W. Caldwell
Managing Director