

Committee Meetings

March 19, 2009

Board present: Leland Kahawai, Dee Crowell, Donald Fujimoto, Raymond McCormick, Roy Oyama, and Randy Nishimura. Absent & Excused: Ian Costa

Staff present: Wynne Ushigome, Gregg Fujikawa, William Eddy, Keith Fujimoto, Bruce Inouye, Faith Shiramizu, and County Attorney Al Castillo Jr. Absent & Excused: Paul Ganaden (Margie Loo was present from 11:07 a.m. to 11:50 a.m.)

FINANCE COMMITTEE MEETING:

Finance Committee Chair Randall Nishimura called the Finance Committee Meeting to order at 9:33 a.m.

Re: Claims Payable (as of February 28, 2009):

WATER UTILITY FUND:	\$1,743,533.53
BOND FUND:	\$ -0-
FRC FUND:	\$ 16,345.33
STATE FUND:.....	\$ -0-
TOTAL	<u>\$1,759,878.86</u>

Mr. Crowell moved that the claims be approved for payment, seconded by Mr. Oyama; motion was carried.

Re: Request Discussion and Recommendations on Amending the Travel Budget for Board and Staff

Acting Manager Ushigome reported that in regards to the memo dated January 17, 2009 from John Isobe, Office of Boards and Commissions, the Administration transmitted a Budget Policy Directives for Fiscal Year 2009-2010. This policy directive stated that based on current financial projections for the County of Kaua'i, there will be a need to proactively take steps for immediate cost reductions and establish guidelines for the upcoming 2009-2010 budget.

Although the policy directive was not directly addressed to the Board of Water Supply, we were provided an informational copy. As such, a copy of this policy directive was included in the February Board packet and was again given for the Board's reference.

One of the immediate cost saving efforts that the Mayor's Office identified was to reduce all travel budgets by 50% for the remainder of this fiscal year and replace interisland travel with video and teleconferencing whenever possible. Although the Department of Water is a semi-autonomous agency, inquiry by Board members necessitated that this matter be brought up for discussion in the March Finance Committee meeting with recommendations forwarded to the Board.

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Board members queried and wanted to discuss and decide how the travel cuts should be effectuated. Namely, instead of simply reducing the budgeted number of Board members travelling to any event, members wanted to consider whether other options could be implemented. One option mentioned was to allow all Board members to attend the conferences, provided, each member pay half of their travel costs.

For staff travel, the overall number of attendees for any conference has been reduced by half. The option of paying for half of the expenses was not provided due to possible conflicts with the bargaining unit agreement (BUA). Questions relating to whether the employees' travel is a requirement of their job and whether the travel is considered official business would need to be discussed.

On another related travel issue, in recent years the Department has supported the participation of a women's team at the annual pipe tapping contest. The contest is part of the American Water Works Association, Hawai'i Section Conference held in Honolulu. This year in addition to a women's team, there appears to be interest in forming a men's team. In light of the recent directive by Administration to cut the travel expenses, is this an event that the Board supports?

Discussion:

On query by Mr. Crowell, Mr. Nishimura stated the Board's travel expenses so far, as of January, 2009 in Account No. 29, Board Travel, is \$2,432, about 9% of the total Board's Travel budget.

Mr. Kahawai moved to recess the Finance Committee Meeting at 9:38 a.m. to the end of the Regular Meeting Agenda, seconded by Mr. Crowell; motion was carried.

RULES COMMITTEE MEETING:

Rules Committee Chair Dee Crowell called the Finance Committee Meeting to order at 9:40 a.m.

Re: Proposed Rule Amendments of the Board of Water Supply, County of Kaua'i

Mr. Crowell reported that as a follow up to the discussion at the February Board meeting, it was recommended that the term "applicant" be similar to or consistent with the definition as referenced in the County's Comprehensive Zoning Ordinance (CZO)". In the CZO, an ***"applicant" means any person having a controlling interest (75% or more of the equitable and legal title) of a lot; any person leasing the land of another under a recorded lease having a stated term of not less than five (5) years; or any person who has full authorization of another having the controlling interest or recorded lease for a stated term of not less than five (5) years.***

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Also, the Department understands that the Board is proposing to formalize into rule the administrative policy which restricts private (domestic) well improvements on lots currently service by a County water meter. The current administrative policy did not address or apply to a parcel applying for subdivision. Based on the discussion, it appears the Board wants to include proposed subdivisions to be included as part of the proposed Rule Amendment.

As a place holder, the Department recommended adding language allowing the Board to have a provision for reconsideration in its decisions. If there are any other items for inclusion, please feel free to let us know.

Regretfully, the drafting and preparation of rule amendments are temporarily on hold, pending the assignment of the deputy county attorney or hiring outside counsel to service the Department.

Discussion:

Mr. Nishimura moved to accept the staff's report and refer to the formal drafting of the rules and resubmit to the Board for public hearing, seconded by Mr. Oyama.

On query by Acting Manager Ushigome for any more proposed rules for the DOW staff to work on, Mr. Nishimura stated that he would be submitting a proposal at the next Board Meeting on the appeal process.

Mr. Crowell stated that he would talk to the County Attorney to have a DOW legal counsel look at these rules.

Motion was carried.

The Rules Committee was adjourned at 9:43 a.m.

FINANCE COMMITTEE MEETING:

Finance Committee Chair Randall Nishimura called the Finance Committee Meeting back to order again at about 11:10 a.m.

Re: Request Discussion and Recommendations on Amending the Travel Budget for Board and Staff

Board Travel, Account No. 28:

Mr. Nishimura discussed that due to the current economic conditions, he personally felt that there should be a reduction in Board travel; however, he did not know what the cut should be and would leave that decision up to the Board. He further discussed that a possibility would be to cut the interisland travel budget to fund the national conference more fully.

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Mr. D. Fujimoto concurred that due to the current economic conditions and Mayor Carvalho's directive to the County departments to cut the County's travel budget by 50%, that the Board would need to assist with cutting costs and should set the example for the staff.

On query by Mr. Crowell, Acting Manager Ushigome stated that the conference registration fees for both the Board and staff are separate under Account No. 33, In-Service Training.

Mr. D. Fujimoto discussed that the best next step is to verify who wanted to attend the AWWA National Conference. The following will not be attending the AWWA National Conference: Roy Oyama, Leland Kahawai and Ray McCormick. The following, if they plan to go, will pay their own expenses: Dee Crowell and Randall Nishimura. The following were interested in attending: Ian Costa and Donald Fujimoto.

Mr. Nishimura also discussed that 5 seats were budgeted, but with the budget cuts, there will be 3 seats available for the AWWA National Conference. Since there are only 2 interested members in the conference, it was suggested that the Board transfer the 1 extra budgeted seat to the staff.

So far, for the AWWA, Hawai'i Section May Conference: Attending: Roy Oyama, Not Attending: Donald Fujimoto gave up his seat.

Mr. Nishimura made some rough calculations on the Board's travel budget of \$27,500, with \$2,432.03 already spent, as of January 31, 2009, for a balance of \$25,067.97. With the 50% cut, it would be reduced to \$12,534. Then with the estimated travel expenses of \$6,645 for the 2 Board members and 1 staff for the AWWA National Conference, there would be a net balance of \$5,889 for the rest of the Board travel, including the AWWA, HI Section Conference on O'ahu.

Mr. D. Fujimoto moved to cut the Board's travel budget by 50%, along with allotting 1 slot from the Board Travel budget and transferring it to staff's travel to the AWWA National Conference, if needed, seconded by Mr. Crowell; motion was carried.

Staff Travel, Account No. 29:

Mr. D. Fujimoto felt that the Staff travel, as well as the Board travel, should all be cut by 50%. Acting Manager Ushigome stated that she had already cut the staff budget by 50%.

Mr. D. Fujimoto moved that based on the County's directive to cut travel by 50%, the balance of the travel budget for staff shall also be cut 50%, seconded by Mr. McCormick.

Mr. Nishimura stated that the current balance as of January, 2009 is \$44,008 for staff travel.

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Staff will have 3 budgeted slots (cut from 6 slots) for the AWWA National Conference plus 1 slot from the Board for a total of 4 slots. The staff will have 4 slots (cut from 8 slots) for the AWWA, Hawai'i Section Conference.

Motion was carried.

Tapping Team, Account No. 44a:

Mr. D. Fujimoto moved to keep the tapping team's budget at \$8,000 as he felt that the pipetapping team is an important part of the AWWA, Hawai'i Section Conference, our participation shows our commitment to the water industry, and wants to support this pipetapping team, seconded by Mr. Oyama.

Acting Manager Ushigome discussed that the \$8,000 covers sending both a men's and women's pipetapping team to the AWWA, Hawai'i Section Conference as there is interest from both.

On query by Finance Chair Nishimura, Acting Manager Ushigome stated that the tapping team does not train on their own time as she allots 2 hours (2:30 p.m. – 4:30 p.m.) on the designated training days. She further explained that the women's team was coached by a couple of our Operations personnel that finishes work at either 2:30 p.m. or 3:00 p.m. so she approved the men to get overtime. Acting Manager Ushigome added that for the women, she did not pay overtime for practice but would pay overtime if they needed to catch up with their work after work hours.

Chair Kahawai stated that he felt that this budget item should not be eliminated but should also be cut.

Finance Chair Nishimura called for the vote. The following voted aye: Dee Crowell, Donald Fujimoto, Ray McCormick, and Roy Oyama. The following voted nay: Leland Kahawai and Randall Nishimura.

Motion was carried.

The Finance Committee Meeting was duly adjourned at 11:50 a.m.

ADJOURNMENT:

There being no other business, the Committee Meetings were duly adjourned at 11:50 a.m.

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