RESOLUTION NO. 142 21

**A RESOLUTION TO FORM A WORKING GROUP TO DEVELOP A NEEDS ASSESSMENT OF COUNTY ASSETS AND TO URGE THE ADMINISTRATION TO UTILIZE THIS ASSESSMENT TO TRANSFORM THE DEVELOPMENT AND REPORTING OF THE CAPITAL BUDGET AND CAPITAL PROGRAM AS OUTLINED IN ARTICLE X, SECTION 10-6, OF THE HAWAI‘I COUNTY CHARTER.**

**WHEREAS**, on March 1, 2021, Mayor Mitchell D. Roth transmitted to the Hawai‘i County Council the proposed Operating Budget and the proposed Capital Budget and Six-Year Capital Improvements Program for fiscal year 2021-2022; and

**WHEREAS**, on April 13, 2021, during the departmental budget review, Mayor Mitchell D. Roth addressed the County Council and stated that our County is in a race against time with decrepit and outdated infrastructure; and

**WHEREAS**, the process of developing and reporting on the capital budget and capital program should be subject to critical review in order to ensure the highest and best use of limited resources based on priorities and community needs; and

**WHEREAS**, Article X, Section 10-6, of the Hawai‘i County Charter (hereinafter “the Charter”), provides a framework for the development of a capital budget and capital program; and

**WHEREAS**, Section 10-6(a) of the Charter states:

“The capital budget shall contain at least the following:

- (1) A simple, clear, general summary of the detailed contents of the capital budget.
- (2) The capital improvements pending or proposed to be undertaken within the ensuing fiscal year, together with the estimated cost of each improvement, the estimated operating cost, and the pending or proposed method of financing it. Capital improvements shall be prioritized based on criteria aligned with the general plan, community development plans, emergency expenditures and other pertinent functional plans.
- (3) Capital expenditures to be financed from current revenues in the ensuing fiscal year.”; and

**WHEREAS**, Section 10-6(b) of the Charter states:

“The capital program shall be used by the council for informational purposes and as a guide for the estimated costs of the proposed capital improvements of the county for the ensuing six fiscal years and shall contain at least the following:

- (1) A simple, clear, general summary of the detailed contents of the capital program.
- (2) The capital improvements pending or proposed for the ensuing six fiscal years, together with the estimated cost of each improvement and the proposed method of financing it.
- (3) Such other information as the council or mayor may request.”; and

**WHEREAS**, there is a clear distinction that Section 10-6(a) pertains to the capital budget and Section 10-6(b) pertains to the capital program; and

**WHEREAS**, Article VI, Chapter 6, Section 6-6.3(a), of the Charter, states that the director of finance shall “(a)ssist the mayor in the preparation and execution of the operating budget, operating program and capital budget”; and

**WHEREAS**, Article VI, Chapter 7, Section 6-7.2(b)(4), of the Charter, states that the planning director shall “(r)evue the lists of proposed capital improvements contemplated by agencies of the county and recommend the order of their priority”; and

**WHEREAS**, looking back 15 years at the capital budget and capital program provides little guidance on project measures and priorities, except for those tied to compliance or mandates from other authorities or controls; and

**WHEREAS**, the concept of “budgeting for outcomes,” developed by authors David Osborne and Peter Hutchinson, also known as priority-based budgeting, looks at desired results across government and encourages thinking beyond program inputs and outputs, focusing on measurable outcomes to determine how well programs and services benefit the public; and

**WHEREAS**, the concept of “needs assessment” (hereinafter “Assessment”) is a systematic process for determining and addressing needs by measuring the discrepancy between the current conditions and desired conditions; and

**WHEREAS**, this year’s budget review process revealed an absence of an Assessment on County assets that would help to develop a capital budget pursuant to Section 10-6(a) of the Charter; now, therefore,

**BE IT RESOLVED BY THE COUNCIL OF THE COUNTY OF HAWAI‘I** that Council Member Ashley Kierkiewicz (Chair of the Committee on Planning) and Council Member Susan “Sue” Keohokapu-Loy (Chair of the Committee on Public Works and Mass Transit) will convene and co-chair a working group to be comprised of representatives from the Department of Finance, Planning Department, Department of Public Works, Office of the Corporation Counsel, and Office of the Mayor.

**BE IT FURTHER RESOLVED** that the working group will develop an Assessment of County assets and submit a report to the County Council prior to the start of the next budget review cycle for fiscal year 2022-2023.

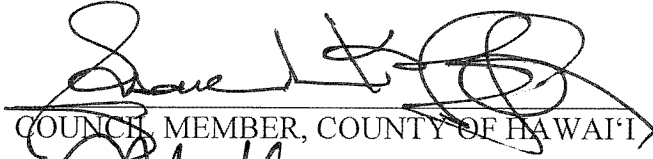
**BE IT FURTHER RESOLVED** that the Administration is urged to incorporate the findings of the Assessment when developing the capital budget for fiscal year 2022-2023 and to provide a clear distinction between the capital budget and the capital program for fiscal year 2023-2024.

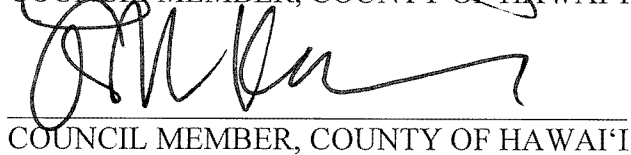
**BE IT FURTHER RESOLVED** that the working group will meet at least three times and dissolve one year from the date this resolution is adopted.

**BE IT FINALLY RESOLVED** that the County Clerk shall transmit a copy of this resolution to the Honorable Mayor, the Managing Director, and the Director of Finance.

Dated at \_\_\_\_\_, Hawai'i, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

INTRODUCED BY:

  
 \_\_\_\_\_  
 COUNCIL MEMBER, COUNTY OF HAWAI'I

  
 \_\_\_\_\_  
 COUNCIL MEMBER, COUNTY OF HAWAI'I

COUNTY COUNCIL  
 County of Hawai'i  
 Hilo, Hawai'i

ROLL CALL VOTE

	AYES	NOES	ABS	EX
CHUNG				
DAVID				
INABA				
KĀNEALI'I-KLEINFELDER				
KIERKIEWICZ				
KIMBALL				
LEE LOY				
RICHARDS				
VILLEGAS				

I hereby certify that the foregoing RESOLUTION was by the vote indicated to the right hereof adopted by the COUNCIL of the County of Hawai'i on \_\_\_\_\_.

ATTEST:

COUNTY CLERK      CHAIRPERSON & PRESIDING OFFICER

Reference: \_\_\_\_\_ C-280/FC

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