

Legislative Federal Economic Stimulus Program Oversight Commission

8/24/10

DRAFT

I. Meeting called to order- 10:04 AM

Members present-

Kate Stanley- appointee of the Speaker of the House

Michael Kitamura- appointee of Senator Akaka

Ed Kemp- appointee of Senator Hemmings

Mark Anderson- appointee of the Governor

Aaron Johanson- appointee of the House Minority Leader

Members not present-

Senator Shan Tsutsui- Senate member

Jennifer Sabas- appointee of Senator Inouye

Representative Michael Magaoay- House of Representatives member

Kyle Chock- appointee of the Senate President

Kehau Yap- appointee of Congresswoman Hirono

Others present- Keira Kamiya- office of Senator Tsutsui; Ted Baker- Legislative Reference Bureau; members of the public

II. Adoption of Minutes

Adoption of minutes was deferred

III. General Business

- A. DHS has been able to redeploy ARRA funds unused by DOE for the meals program
- B. Congressman Djou has received the Commission's letter asking that he appoint a representative and is aware of the need to make an appointment
- C. Commission member Mark Anderson, the Governor's State ARRA Coordinator made a presentation
 1. Hawaii won a Race to the Top grant, placing 3rd out of 19 finalists
 2. Recent 1512 reporting shows:
 - Continuing discrepancies between the reports and FAMIS apparently caused by cash flow timing (if State calls for funds too soon, i.e., before expenditure, penalties may be imposed); and
 - Data quality issues including accounting coding errors, the breakout in FAMIS does not appear in the 1512 report, key card vendor ID appears on statement, old v. new job calculations, transactions mixing ARRA and non-

ARRA funds, and non-response from the federal agencies that need to give guidance

3. Detailed memoranda will be issued to ARRA coordinators to address the reporting and data quality issues
- D. Commission member Kemp noted that the Council of Economic Advisors continues to show a cumulative growth in the number of indirect jobs, even though the direct reporting shows fluctuations

IV. Overview of Federal Stimulus Funds

- A. Presentation of the Fish & Wildlife Service, Department of the Interior by Barry Stieglitz, Project Leader

1. Highlights

- FWS Pacific jurisdiction includes Hawaii, US territories, and flag islands
- Programs include Fish and Wildlife Office, Wildlife and Sport Fisheries Restoration, Law Enforcement, and Wildlife Refuge Complex
- Using the slide presentation to be posted on the Commission's webpage and answers to the Commission's questionnaire already posted, FWS described how \$12.4 million in ARRA funding was used for projects in the Hawaiian Archipelago (funds for Midway flowed through Hawaii)
- Projects included Hakalau Forest NWR maintenance/storage building (\$612 thousand), Kealia Pond NWR Headquarters/Visitor Center (\$7.3 million), Laysan Island, Papahānaumokuākea (\$349,000 photovoltaic and housing/storage unit replacement), Midway Atoll NWR Visitor Center/Resident Housing (\$2 million), Midway Atoll and Tern Island, Papahānaumokuākea (energy efficiency, \$1.9 million), Lehua Island Native Habitat Restoration (\$100 thousand), Molokai Coastal Strand Restoration (\$50 thousand), Maui Wetland Cattle and Predator Control Fencing (\$70 thousand)
- Challenges included short timeframes, contracting procedures that made it difficult for local contractors to compete, and logistical issues involving long travel distances
- Benefits included addressing deferred maintenance projects and additional funds for habitat restoration by private partners

2. Discussion

- Midway water is supplied by rainfall and reverse osmosis
- There is some ability to capture job numbers because they are now able to use quality bid, not just low bid, and can hold back 10% of contract price at the end of project to make sure that, among other things, job numbers are provided
- The prevailing Davis-Bacon wage for the Laysan work is Honolulu

B. Presentation of the United States Navy by Commander John Bennett

1. Highlights

- The Navy executed six repair and construction projects totaling \$80.6 million including a child care development center, repair of buildings, aircraft runway repair, and piers/wharfs construction/repair, as well as installation of photovoltaic systems
- The Navy is also executing additional contracts totaling \$7.2 million, including a parking lot for the National Park Service, Department of the Interior, and a laboratory and regional headquarters for the National Oceanic and Atmospheric Administration on Ford Island that is part of what will be a larger, \$100 million project
- 100% of the funds for these projects have been obligated with approximately 63% expended to date; three projects are complete, one is scheduled to be complete in 12/10, and the other two are scheduled to be complete in the summer of 2011
- Project selection criteria included quality of life, energy projects, and operational facilities infrastructure upgrades, shovel-readiness, and fewer/bigger projects

2. Discussion

- The projects chosen would have been done anyway but only in outlying years when funding became available
- There is joint coordination of ARRA reporting by the military branches but it is being more at the national than the local level

- The NPS parking lot expansion project will increase vehicle capacity by 15-20% and provide other, related infrastructure upgrades

V. Public Comments

There were no comments or questions from members of the public present at the meeting.

VI. Adjournment

With a reminder that the next meeting would be held on September 14, 2010, with presentations from NOAA and the Maui telescope project, the meeting was adjourned at 11:10 a.m.

DRAFT