

Councilmember Nestor R. Garcia
Vice Chair, Honolulu City Council
Chair, Council Committee on Budget

TRIP REPORT
National Association of Counties
Annual Conference and Exposition
Reno-Sparks Convention Center
Reno/Washoe County, Nevada
July 16-20, 2010

Introduction

The City & County of Honolulu joined its sister Hawaii counties at the National Association of Counties' (NACo) annual convention, this one held in Reno, Nevada. NACo is celebrating its 75th anniversary this year – the only national organization that represents county governments before the United States Administration and the United States Congress. NACo counts more than 3,000 counties, parishes and boroughs as members.

This year, Hawaii was proud to once again boast 100 percent representation at the annual conference (all four counties represented). Among those in attendance from the City & County of Honolulu included myself, Council Chair Todd Apo, and Councilmember Romy Cachola. Councilmember Cachola is serving out his term as a NACo Presidential Appointee to the National Board of Directors. I have now assumed that post – an appointee of incoming NACo President Glenn Whitley, a judge from Tarrant County, Texas (note: Tarrant County refers to its council members, aldermen, or commissioners as judges). Councilmember Cachola is also a member of NACo's Transportation Steering Committee. Joining the three members from the Honolulu City Council was Kauai Councilmember Derek Kawakami, president of the Hawaii State Association of Counties (HSAC). From Maui were Councilmembers Joe Pontanilla (Treasurer of HSAC), Michael Molina, and Michael Victorino. Hawaii County Councilmember Dennis "Fresh" Onishi (HSAC Secretary) rounded out the Hawaii contingent. The national conference comes on the heels of HSAC's own annual conference, this one held at the Ihilani Resort and Spa on the island of Oahu. I served as the conference chairman.

The NACo convention was held in a city that is experiencing a 13.6% unemployment rate (as of June 2010). The state of Nevada's rate is 14.2% - the highest in the nation. This compares to Hawaii – with an unemployment rate of 6.3% - the lowest level for Hawaii in a year. The national unemployment rate is 9.5%. The first two days of the conference are mainly devoted to NACo committee and subcommittee meetings – neither of which I sit as a member.

Sunday, July 18th
General Session

Outgoing President Valerie Brown (who attended our HSAC conference) told the assembled that during the Florida State Association conference, there was much talk about the ongoing BP oil crisis in the Gulf of Mexico, and its impact on the Florida coastline. She said that instead of a General Session on Tuesday, there will be two concurrent breakout forums.

David Humke, the Chairman of the Washoe County Commission (similar to our Honolulu City Council) told the audience that he would like the convention attendees to help keep Nevada green – with our tourist dollars!

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President Brown said that in NACo's experience in dealing with the White House, this was the first time that any Administration stressed transparency in its dealings with state and local governments. This was evident, she said, with the use of federal stimulus dollars, with states and local governments asked to account for the spending of the dollars, and keeping track of the jobs those dollars created for the various government recipients.

Brown was especially proud of the Health Care Reform working group she created, which later became a sub-committee within NACo. Brown wanted to make sure that local governments had a seat at the table during the formation of national health care reform legislation – which was signed into law by President Obama in March of this year. She noted that it will take eight years for the legislation to take full effect.

President Brown shared with us that there is a national pilot project that focuses on discounted dental care, with some 30 cities initially taking part in the program. After a year, there will be an assessment, at which time a decision will be made whether to expand the program to include all other interested NACo members.

The guest speaker during this General Session was Dr. Robert Reich, economist, author, and former Secretary of Labor for President Bill Clinton. While he is short in stature (he joked that this recession has worn him down!), Dr. Reich is a giant among economists, and has served under three U.S. Presidents! He also joked that an economist is someone who didn't have the personality to be an accountant! He will have a new book out in September – about this recession, and what the future will be like for the nation and the world after the recovery.

Dr. Reich said in the last five recessions (the last one in 1980-81), the Federal Reserve overstepped by raising interest rates to fight off inflation. He said this one is very different for three reasons. The first was the bursting of the housing bubble. Now, he says there are so many people under a huge pile of debt. He said the consumer fuels 70 percent of the economy. The second is that people are worried about their jobs – or are busy trying to find a job. He said now more than ever – there needs to be two wage earners in each household. And third, businesses are not investing to build their business and create jobs. Instead, you find businesses either buying up shares in their own companies, or building plants overseas – where there are growing consumer markets.

He said government has to make up the difference in the short-term. He said the federal stimulus should have been larger than \$800 billion. He said the recovery will be very slow and very painful. He said about 15 million jobs were lost – and many of those jobs will never return. He said there are five people for every job opening – with an unemployment rate now at 9.5 percent.

He said the first challenge is to create more demand for goods and services so that that there will be a need to create jobs.

The second challenge is long-term debt – that should not be confused with short-term spending. He said the focus instead should be the debt to GDP ratio, which is now at about 55 percent. He said while that is not good – the ratio in 1945 was 120 percent! He said we never actually paid that debt down – it's just that the United States grew at a phenomenal rate!

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He claimed that labor saving technologies have actually cost jobs more than globalization. Finally, the third challenge is wages. Dr. Reich said most new jobs in this new economy are service jobs – at lower wages. This will create a wider gap between the haves and the have-nots. He said the solution to this is more emphasis on education – at all levels, starting with early childhood education programs.

Monday, July 19th
NACO Board of Directors Meeting

I sat in on my first board meeting, but only as an interested spectator (my Presidential At-large appointment did not take effect until the next day). I introduced myself to the President-elect, Glenn Whitley (a Judge in the 3rd largest county in Texas, the 2nd largest state in the country). The current members of the board from Hawaii were present – Councilmembers Derek Kawakami of Kauai, Joe Pontanilla of Maui and Romy Cachola of Honolulu.

One of the items discussed was the report prepared in cooperation with NACo by the National Center for the Study of Counties with the Carl Vinson Institute of Government, University of Georgia. Entitled “It’s Still the Economy”, the findings were based on the 2010 National Survey of County Elected Officials. This survey is the broadest and most consistent measure of county officials’ attitudes and views on local and national trends. Clearly, the economy was the primary concern for these officials. The major findings included:

- Pessimism about the direction of the country, which had turned to positive in 2009, is more negative in 2010, with 59 percent of county elected officials saying that the country is heading in the wrong direction (which is in line with general public opinion);
- While county elected officials rate economic conditions in 2010 quite similarly to the 2009 ratings, they are much more likely to say that things are getting better in the economy than they were in 2009;
- County elected officials also rate the fiscal health of their respective counties only slightly lower than in past years, although the difference is statistically significant;
- Twenty-six percent of counties represented by officials in the 2010 survey consolidated services in response to economic conditions, while more than half of the county elected officials surveyed in 2010 said that their county has cooperated regionally to reduce the cost of services;
- Despite efforts to reduce the cost of service delivery, the impact of county fiscal stress is affecting the county workforce – 25 percent have reduced the county’s share of employee’s health benefits, 24 percent have laid off employees, and 20 percent have instituted furloughs for employees;
- County officials are nearly evenly split on their views about the impact of the economic stimulus on the national economy – 42 percent believe it helped, 40 percent believe it made no difference. Still, 80 percent are very concerned about the budget deficit on the national level;
- The views on the impact of the federal stimulus are largely dependent on one’s party affiliation – 73 percent of Democrats feel it helped, contrasted with 21 percent of Republicans and 33 percent of Independents. Democrats were less concerned about the national budget deficit than Republicans and Independents;

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- County elected officials were more likely to use negative adjectives (65 percent) than positive adjectives (31 percent) to describe their reaction to the national health care legislation passed in March 2010. Twenty-nine percent stated a belief that healthcare costs would rise with or without the legislation.

Again, the most frequently mentioned problem facing the nation in the 2010 survey was the economy – with nearly 49 percent citing jobs, unemployment and a generally poor business climate as their response. As for the most important problem facing their county specifically, the most frequent response was the lack of revenue to meet county needs (47 percent).

Monday, July 19th

Forum: Preserving Civility, Decorum and the Right to Leadership

This forum, which was well-attended, posed this question: how are you being affected by the vocal, and sometimes physical, intolerance for differing points of view? The idea, in the end, was to try to come up with ways to raise positive public awareness and mitigating the personal and political damage of uncivil discourse.

One of the three presenters, Charles Thompson, Executive Director, International Municipal Lawyers Association, showed hilarious YouTube clips of public meetings where the procedures were clouded by shouts, people pushing and shoving, threats, and other unruly behavior – by both officials and members of the public!

Washoe County Manager Katy Simon shared with the audience that before every public session convened by the Washoe County Commissioners, she reads a 122-word statement on decorum approved by the district attorney and upheld by the state attorney general – and since the statement was adopted in 2006, civility has pretty much ruled in commission chambers.

Thompson had this advice:

- Depersonalize. Keep the debate centered on the issues – not on people or personalities;
- Detach. It's not about you. Don't be defensive;
- Defuse. A little humor goes a long way;
- Study people's body language. You can tell when people are upset by the way they hold themselves;
- Naysayers. Sometimes paraphrasing an opponent's side of an issue shows you understand – even if you don't agree with his position;
- Hecklers. They can be tamed if they are asked to identify themselves and they no longer operate in anonymity;
- Ramblers. Give them time to speak – but cut in when they really run into overtime, summarize their points, and move on;
- Poor losers. They shouldn't be backed into a corner. Find a way to help them save face.
- What is the motivation for each side of an issue? If you can determine that – you can use it to channel participation in a positive way;
- Self-appraise. Are the rules too rigid? Do people understand the rules? Are the rules suffocating meaningful participation?

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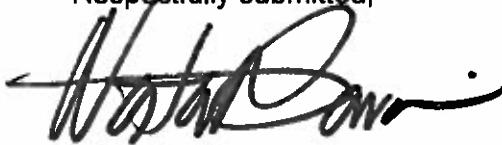
- Are you reacting to people – or to the issue at hand?
- Know yourself. Understand the types of people who can push your buttons.

In sum – be a facilitator, give equal time to all sides of an issue, summarize points of agreement and disagreement, but always be in charge of the proceedings.

Monday, July 19th
General Session

The compelling speaker here was Joe Ditmar, a survivor of the Sept. 11, 2001 terrorism attack on the United States. He is in the insurance industry, and was attending a meeting on the World Trade Center, Tower 2, which was the second tower that a plane crashed into that day. The meeting was on the 105th floor of the tower. While his was a harrowing tale of survival – his main points were that when thrust into a decision, especially in one that would make the difference between life and death, what would you do? Most importantly, he said he has been compelled to speak about his experience with others, if only to remind people to never forget that day. Ditmar said he does not accept compensation for his talks.

Respectfully submitted,



Nestor Garcia
Vice Chair, Honolulu City Council
Vice President, Hawaii State Association of Counties
2010 – 2011 Presidential At-Large appointee, Board of Directors, National Association of Counties

City Council
City and County of Honolulu

CLAIM FOR TRAVEL REIMBURSEMENT

Date: August 2, 2010

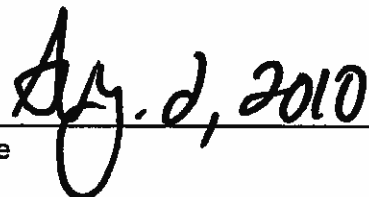
Traveler: Nestor Garcia
 Event: 2010 NACo Annual Conference
 Location: Reno / Washoe County NV
 Dates: From July 16, 2010 To July 20, 2010

Description	Amount	Notes
1. Registration Fee	\$465.00	Receipt attached
2. Airfare	\$717.00	Online statement attached
3. Hotel	\$403.41	
4. Meals	\$63.01	Receipts attached
5. Ground Transportation	\$14.40	Receipts attached
6. Tips		
7. Other	\$15.00	Statement attached
Other		
Other		
8. Adjustment		
		* \$1182.00 charged to fiscal year 2010
		* \$495.82 charged to fiscal year 2011
TOTAL REIMBURSEMENT	\$1,677.82	

This is to certify that the above data, based upon receipts submitted to Council Administrative Support Services via a CCLTRVL02 form, is accurate. Further, I am claiming reimbursement for expenses associated with a trip in which City business was conducted and personal funds were used to advance payment:



 Signature of Traveler



 Date