

**COST OF GOVERNMENT COMMISSION
MINUTES**

**Kalana O Maui Building, 9th Floor, Mayor's Conference Room
Thursday, October 13, 2011**

PRESENT: Frank De Rego, Jr. Chair
Fred Rohlfing, Member
Ronald Kawahara, Member
Walter Baloaloa, Member
Harold Davis, Vice-Chair
Garrett Evans, Member
Jody Yoshida, Member
Joseph Kanahuna, Member

EXCUSED: Sunny Gutierrez, Member

STAFF: John Buck III, Executive Assistant
Michelle Esteban, Administrative Assistant
Scott Hanano, Deputy Corporation Counsel

I. CALL TO ORDER

The meeting was called to order by Chair De Rego at 9:00 AM.

II. PUBLIC TESTIMONY

There was no public testimony.

III. REVIEW AND DISCUSS SEPTEMBER 08, 2011 MEETING MINUTES

Commissioner Kawahara moved and Commissioner Kanahuna seconded the motion to approve September 13, 2011 meeting minutes. Motion carried unanimously.

IV. REVIEW AND DISCUSS CORRESPONDENCE RECEIVED AND SENT

Mayor Alan M. Arakawa sent a response to the COGC letter dated May 12, 2011 regarding Increasing Awareness of Boards and Commissions. Chair De Rego commended Mayor Arakawa's efforts to support the COGC recommendations on making the public aware of the importance of Boards and Commissions.

Chair De Rego sent an email, on behalf of COGC, to Managing Director Keith Regan on a proposed a program called *Code For Maui* based on the idea of *Code for America* and *GOV 2.0*. Chair De Rego explained to the commissioners that the program would allow students with technical and computer backgrounds to learn and gain additional skills by working with county government. He continued by adding that the goal of this program might provide opportunities for graduating university students to stay on Maui rather than having to move to the Mainland for employment.

V. REPORT ON RESTRUCTURING PROPERTY TAXES BY COUNCILMEMBER MICHAEL WHITE

Councilmember Michael White, after completing the budget process this past year and from his own experiences with his assessment and taxes he paid on his own parcel of land, decided to investigate the structure of property tax assessments throughout Maui County. Councilmember White gave a presentation regarding his investigation and some of the findings.

Prior to presenting his presentation to the commission, Councilmember While provided a disclaimer to reassure that the owners of the property were not doing anything illegal and that all comparisons are between taxable land values and the taxes paid. The purpose of the presentation was to show the weaknesses created by the County's rules and regulations. Some of the highlights of the presentation included:

- Summary of agricultural zoned parcels in Maui County
- The challenges for Maui County
- Review of how agricultural land values are calculated
- Samples of disparities in land values
- How do agricultural land values compare with residential lot values

- Should the County allow a tax subsidy for land speculation
- How does the premium purchase prices paid for property by large landowners compare with the tax they pay
- The Budget and Finance Committee of the County Council established a temporary investigative group in accordance with the Sunshine Law. The group's report is due on November 8, 2011.

In closing, Councilmember White reminded the COGC, if the group's recommendations are not implemented through ordinance by the end of December, the proposed changes will have no effect on property tax rates and, in turn, the budget for the next fiscal year..

VI. DISCUSS SUBCOMMITTEE IDEAS AND ORGANIZATION FOR 2011-2012 ANNUAL REPORT

A. County Space Management Sub-Committee- Commissioner Kawahara reported his subcommittee has identified six to seven recommendations. They will document interviews and start producing their report.

B. Universal Trash Pick-Up Committee- Vice Chair Davis reported his subcommittee will meet and start to document their investigation. He mentioned he had not received the hard numbers to the information he needed regarding the number of people who receives service. Chair De Rego suggested the COGC might issue a subpoena if the department refuses to comply with the subcommittee's continued requests for specific information. Executive Assistant John Buck will check with the department.

C. Update- Authorizing Ms. Shelley Pellegrino to assemble the annual report- Vice Chair Davis reported he would speak to the Mayor, but he also believes administration will not change their position.

D. Update- COGC 2010-2011 Annual Report with County Council Members- Former Chair Ann Moe, former Vice Chair Yarrow Flower, and Chair De Rego presented the 2010-2011 Annual Report to the Budget and Finance Committee of the County Council. Chair De Rego outlined the committee's general support, but the issue of combining Council of Aging and Council on Disabilities was a concern for some members. Chair De Rego added that COGC is a group of citizen volunteers who make recommendations based on their limited time and ability to research specific issues; the next step is for Council Members to take the COGC recommendations as a starting point for further investigation, recommendations, and decision making.

E. Update on Charter Commission:- Chair De Rego informed the commission that its recommendation for Council Member's terms (three absolute, four-year, staggered terms - 12 years total) has moved from the active matrix list to the "amendment crafting" stage. Chair De Rego said he will be recommending to the Charter Commission that the proposals for a biennial budget and the creation of the county auditor's office with moving the COGC into that office proceed to the crafting stage as well.

VII. DETERMINE NEXT MEETING DATE AND AGENDA

Chair De Rego has set November 10, 2011 as the next meeting date:

- First draft of subcommittee reports will be due.
- Subcommittees will submit a meeting schedule for the month of November to the Chair.
- Designation of COGC members to meet with Council Members as soon as the report is done.

VIII. ADJOURNMENT

Commissioner Kawahara moved and Commissioner Balaloa seconded the motion to adjourn.
Motion passed unanimously.

Adjourned at 10:46 AM.