

**COST OF GOVERNMENT COMMISSION  
MINUTES  
Kalana O Maui Building, 9<sup>th</sup> Floor, Mayor's Conference Room  
Thursday, June 14, 2012**

**PRESENT:** Frank De Rego Jr., Chair  
Garrett Evans, Member  
Joseph Kanahuna, Member  
Alexander Gat, Member  
Ronald Kawahara, Vice-Chair  
Jeffrey Halpin, Member  
Fred Rohlfing, Member

**EXCUSED:** Walter Baloaloa, Member  
Victoria Johnson, Member

**STAFF:** Michael Molina, Executive Assistant  
Michelle Esteban, Administrative Assistant  
Scott Hanano, Corporation Counsel

**I. CALL TO ORDER**

Chair De Rego called the meeting to order at 9:02 AM.

**II. PUBLIC TESTIMONY**

There was no public testimony.

**III. REVIEW AND DISCUSS MAY 10, 2012 MEETING MINUTES**

Vice Chair Kawahara moved and Commissioner Kanahuna seconded the motion to pass May 10, 2012 meeting minutes. Motion carried unanimously.

**IV. NO CORRESPONDENCE RECEIVED**

**V. PRESENTATION ON THE UPCOUNTRY WATER METER LIST BY DR. RICHARD POHLE**

Dr. Richard Pohle briefed the Commission on his background.

Dr. Pohle presented his PowerPoint presentation titled Cost of the Upcountry Meter Priority List to Maui County & Methods to Eliminate the List. He presented three ways to repeal the meter list:

1. Develop A&B projects and Haiku wells for Central Maui water
2. Develop Upcountry water systems without allowing private funding to supplement public project costs
3. Mayor and Council collaboration

**VI. PRESENTATION ON WASTEWATER MANAGEMENT AND WATER RECYCLING BY MR. KYLE GINOZA, DIRECTOR OF DEPARTMENT OF ENVIRONMENTAL MANAGEMENT**

Mr. Kyle Ginoza, Director of Department of Environmental Management explained that after talking with Mr. Steve Parabolicoli, Water Recycling Program Coordinator, and because the Commission's questions were global, Director Ginoza felt it would be better if he did the presentation on Wastewater Management and Water Recycling.

Director Ginoza presented his PowerPoint on Maui County's Wastewater System. His main topics included:

1. How the wastewater funding structure works
2. What the division's priorities are
3. How recycled water plays in to the funding structure and priorities of the division

Director Ginoza began with a brief introduction of the wastewater system by describing its current operations and organizational structure.

Director Ginoza gave a brief history of wastewater infrastructure development funding from 1960 to 2010 - outlining funding plans for rehabilitation, replacement, and reliability upgrades within the next 10 years. He commented that sewer fees have to support the operation of the department plus ongoing rehabilitation and replacement of equipment.

Director Ginoza then illustrated the Wastewater Reclamation Division's system reliability from 1992 to 2010. The chart showed a decrease in the amount of wastewater processed and spilled which translated into higher reliability and lower annual "down-time." To reduce spillage even further, wastewater user fees would have to be doubled or tripled; wastewater spills are currently at an acceptable level without burdening the sewer user with higher fees.

Director Ginoza informed the Commission that the division has developed and implemented Asset Management Programs (AMPS) and Central Maintenance Programs to help reduce the amount of spillage. He also detailed a 20 year Capital Improvement Program (CIP) and explained that the various programs are based on the AMPS. He presented a graph showing the existing and proposed debt service for the Wastewater Reclamation Division for the next 30 years and the Fiscal Year 2012 Budget.

Director Ginoza explained the Effluent Disposal Methods and Rate Structure for injection wells and reclaimed water. 70% of wastewater is discharged into injection wells. Currently there is a base charge of \$26.50 per month and a water usage charge of \$3.55 per 1000 gallons with the maximum usage charge set at 58.45 per month. 30% of wastewater is reclaimed and provided to various customers. The water meter fee for reclaimed water ranges from \$325 - \$18,300 based on meter size. The water usage charge for reclaimed water varies with the user (e.g., major agriculture, small agriculture versus other users).

Commissioner Rohlfing asked who sets the rates. Director Ginoza answered the County Council sets the rates with the department making recommendations to the Council during budget deliberations on whether a rate increase is warranted. He mentioned in the last two years there has not been a rate increase for reclaimed water users. He went on to describe the uses of reclaimed water around the county and detailed the cost versus revenue ratio of operating the reclaimed water system.

Director Ginoza shared future plans and challenges facing the wastewater reclamation division:

1. Aging infrastructure and equipment
2. Reducing energy use
3. Balancing CIP vs. sewer rates
4. Stricter regulatory requirements

He presented a chart on CIP priority spending versus rates from 2010 to 2030.

Director Ginoza said the Wastewater Division is looking at the Waihikuli wastewater system, considering its proximity to the ocean. He also said that as they work with the EPA and State Department of Health, they will update and accommodate the requirements, but first and foremost the department's concentration is on aging infrastructure and equipment.

Vice Chair Kawahara asked whether the division is self-sufficient in terms of funding, since R1 reclamation's cost is five times the revenues, or are parts of the division subsidizing the treatment of effluent. Director Ginoza explained that as residents, we cannot use recycled water, some of what we pay is being used to subsidize those who use reclaimed water, i.e. the resorts. Vice Chair Kawahara continued by saying that in total it is still the division's responsibility to cover costs through user fees, then asking whether it is also the public's goal to use more R1 water than putting it into injection wells. Director Ginoza agreed and added that the division is slowly moving towards using more R1 water, but because there is a significant cost that isn't recovered, we cannot use all the recycled water at every plant.

Vice Chair Kawahara commented that the division is running efficiently, but voiced his concern on a lesson learned from Hurricane Iniki. He asked, "If all the pumps went out in the event a major hurricane hit Maui, how would the Department of Environmental Management respond?" Director Ginoza answered that the department tries to keep a limited supply of parts on hand for emergency replacements, so as far as current operations are concerned there is some redundancy built in the system. The costs of buying and storing a complete replacement inventory of major component parts, however, would be prohibitive and, if not used over time, wasteful because technologies in this area are changing rapidly. For major events (i.e. natural disasters), there is a practice to de-energize the system and risk minor spillage in order to preserve the electrical components of the system. After any major weather event the optimal practice is to allow the system components to dry rather than continuing to energize the system, thus risking complete component damage/failure. Vice Chair Kawahara pointed out in the case of a tsunami, the Kahului treatment plant is vulnerable. Director Ginoza explained that in the past five years the department has been fortifying the plant.

Director Ginoza ended his presentation saying: How much of a financial burden (i.e., increased sewer fees) do you put on users of the system, thinking of any catastrophe, or any issue that may come up while sacrificing day-to-day operations? He added that the department is aware of the challenges, but the current way the division is operating works well while being aware that the County is still vulnerable.

Mr. Michael Molina called a short recess to discuss with Deputy Corporation Counsel Scott Hanano and Chair De Rego a matter that came to his attention.

RECESS 10:13 AM

RECONVENE 10:20 AM

Deputy Corporation Counsel Hanano suggested moving into an Executive Session regarding a matter that had come to his attention that needed to be discussed with the Board members. Chair De Rego asked everyone, except for Board Members and staff, to leave the meeting.

EXECUTIVE SESSION 10:20 AM

RECONVENE FROM EXECUTIVE SESSION 10:32 AM

**VII. PRESENTATION ON UPCOUNTRY WATER METER LIST BY PAUL MEYER, DEPUTY DIRECTOR, DEPARTMENT OF WATER SUPPLY**

Mr. Paul Meyer apologized for Mr. Dave Taylor, Director of the Department of Water Supply for not being present. Deputy Director Meyer shared that the County is a month away from completing a year's worth of work, having a team of engineers working on a system optimization for Upcountry Maui, Central Maui, Lahaina, and Molokai. He said that the department has been developing a list of optimizing features including pumps, tanks, additional lines, line replacement, et cetera, to develop a 20 year plan for the expansion of the system based on the Maui County Community Plans. Deputy Director Meyer explained that the department is attempting to act as a bona fide utility that has the ability to respond when and where there is a need for water services. He said the County Council, including the Water Resources Committee, is very supportive.

Deputy Director Meyer suggested that there are serious questions regarding repair and replacement of the existing infrastructure that necessitate water rate increases of 6% a year. One of the central issues is the fairness of the rate structure (i.e., agricultural rates versus residential rates versus commercial rates) and sharing the burden of infrastructure development.

Deputy Director Meyer shared fundamental questions for the County Council:

1. How do we fund this growth?
2. Do they do it through water rates?
3. Do we do it through the cost of additional meters?

4. Should the County fund the cost immediately with bond issuance or continue to leave the Water Department self-funded?

He added that these are important questions that need to be discussed with the County Council before the program goes into affect. At the next COGC meeting, he suggested that he and Director Dave Taylor present to the Commission what they will present to the County Council. He believed it will give the Commission a broader picture of where the Water Department is going.

Deputy Director Meyer gave the Commissioners some insight on the waiting list for water meters in Upcountry Maui. The department is faced with several challenges that must be resolved before they can resume issuing meters to the Upcountry area. One of the challenges facing the department is the fact that the upcountry system uses two different methods of disinfecting the water to meet EPA drinking systems. The department has to keep the water separated when they supply water to Upcountry customers.

- Water from the Waikamoi Flume is disinfected using Chloramines at the Olinda Treatment Plant. This is because the water comes from the rain forest and has a high organic count.
- Rest of the Upcountry water sources is treated using Free Chlorine.

Deputy Director Meyer explained that a project is currently underway that will allow the department to intermingle the various sources of water by using only one method for disinfecting the water. The project will have the department pre-treating the water from the Waikamoi Flume with activated charcoal before entering the Olinda Treatment plant. This will allow the department to use Free Chlorine disinfection for all water sources supplying the Upcountry area. With the completion of this project, the department will have more flexibility in supplying water to its customers.

Chair De Rego asked whether groundwater and surface water is being used. Deputy Director Meyer explained that they use both surface and ground water. During drought conditions, however, they must use groundwater to keep up with the demand.

Deputy Director Meyer further explained even if they dug new wells they would not be able to grant new meters. The department needs reliability in the system that includes water sources and the pipeline to deliver the water, along with an adequate storage system to support their customers. Deputy Director Meyer stated they will continue to push ahead so they can grant meters soon.

Vice Chair Kawahara asked what the time table is for the Hamakuapoko (H-Poko) well to come online. Deputy Director Meyer replied that the Environmental Assessment (EA) is about ready to go - it's a 30 day period, if it's challenged, the department would have to do an IES (Integrated Environmental Solutions) instead of a EA, and if IES is challenged, then litigation may be involved. Vice Chair Kawahara expressed that the H-Poko well was shut down because of the same concerns Deputy Director Meyer was describing. Deputy Director Meyer explained that the wells were shut down due to the pH contamination limit. Vice Chair Kawahara asked, assuming there are no legal challenges, could the department issue water meters before the end of year. Deputy Director Meyer replied that a good guess if the EA is found to be adequate, pumps installed and lines installed, it would be probably by mid-2013.

Chair De Rego asked on average what would the improvements cost the average customer? Deputy Director Meyer answered that in the case of some applicants on the meter list, there are no improvements needed whatsoever. The only costs these customers would incur would be the installation of a lateral from the water line that is fronting the property, installing the meter box, dropping in a meter, which would be \$6,030 a water line and tapping into the main line is about \$1, 000.00.

Deputy Director Meyer went on to explain that if a line is not adequate and needs to be replaced in order to deliver a new water service, customers may be faced with putting in 200'-250' of new line. He continued that most times customers will share the cost. Vice Chair Kawahara commented that it makes no sense for one homeowner to be paying for 200' of line and understands that homeowners should pay for the lateral line from

the main water line to the water meter on their property. Deputy Director Meyer replied that there are several different subdivisions; it's been the County's policy that growth pays for growth, and in that sense you are responsible for paying the infrastructure improvements. He added that a single family faces the same challenges, but the administration has been discussing this matter.

Commissioner Rohlfing asked if a subdivision is more than one lot. For example, Commissioner Rohlfing has four acres that has been subdivided into two lots. Is he being treated differently than someone who is going to subdivide into 20 lots? Deputy Director Meyer replied if it's a straight subdivision, the answer is no, but if the water line was already at the property boundary, you would most likely not need to pay for any water system improvements, you just pay for your meter and the lateral. Commissioner Rohlfing reiterated the \$6,030. Deputy Director Meyer said yes, and if the water line was not adequate and they put a meter on it, it would require an upsizing of the main line.

Deputy Director Meyer shared that, like the Wastewater Department, in the event of natural disasters water service lines are turned off to make sure they don't get damaged, but they have tanks that store water for use.

Vice Chair Kawahara asked if the Upcountry main lines are up to date. Deputy Director Meyer replied that there are various kinds of lines Upcountry, thus making the situation there very complex.

Commissioner Gat asked if there's a certain area that is close to current standards. Deputy Director Meyer replied that there are Upcountry areas that are currently new subdivisions and areas that are remote and older. Haiku, for example, is a very complex area that has been developed for many years that covers a lot of territory, including elevation differences and many gulches. Commissioner Gat asked if the distribution plants reach out to the furthest recipient. Deputy Director Meyer said no, but the larger lines are in good shape.

Vice Chair Kawahara recommended ending Deputy Director Meyer's presentation to move on due to time. Chair De Rego agreed and thanked Deputy Director Meyer for his presentation. He also noted that the Commission would be asking Director Taylor to make a presentation at the next meeting.

#### **VIII. PRESENTATION ON THE RELATIONSHIP BETWEEN LEGISLATIVE POLICY AND EXECUTIVE ENFORCEMENT BY MR. KEITH REGAN, MANAGING DIRECTOR, DEPARTMENT OF MANAGEMENT**

Chair De Rego explained to Mr. Keith Regan, Managing Director about the Commission's interest in the relationship between legislative policy and executive enforcement/implementation.

Director Regan acknowledged the Commission's services. He commented on the Vehicle Use Policy, stating a policy has been created and will go into effect starting July 1, 2012. He mentioned the policy was very extensive and commended the Commission on its recommendation for the Administration to review vehicle use.

Director Regan explained the potential disconnection between the legislative and executive branches when it comes to the creation and implementation/enforcement of policy. He explained that this disconnect exists to a certain extent. He mentioned some examples where the executive branch has asked the legislative branch for assistance in order to enforce certain ordinances, but sometimes these requests were set aside or not taken into consideration. He added when going down this path to investigate and discuss this issue it will be important to assure the Council that what is being proposed is not an infringement on their legislative prerogative. What is desired is the input of the department tasked in enforcing any ordinances. In other words, the Council should provide the opportunity for the Administration to explain what resources will be needed to execute the ordinance, especially when it comes to staffing, equipment, funding, et cetera. He shared that ordinances

should be clear in their requirements not leaving room for subjectivity in enforcement, interpretation, or application - vagueness is sometimes an issue.

Director Regan explained that laws that are passed are difficult to enforce because they are vague in terms of what the Administration is expected to do. For example, a county employee is sometimes put in difficult situations where they have to make a decision, especially if that decision could go one way or the other because the ordinance is vague and establishes a gray area that is difficult to grasp or interpret, e.g., the Agricultural Bill and Real Property Tax. He concluded that there needs to be more clarity on the law's requirements when creating new legislation.

Director Regan went on to explain what he meant by using the Smoking Ban as an example. What department is specifically tasked with enforcing the law (i.e. who will be going after these individuals) and how do people report it. He stated the "WHOs" and the "HOWs" are two important questions that need to be asked.

Director Regan shared that since the Arakawa Administration has come into office they have had a good relationship with the Council. He shared that when a new ordinance is being proposed, the Council asks for the Administration's input. Mr. Molina attested to that fact that this has been working well.

Chair De Rego stated that he has sent a request to the Corporation Counsel to have Deputy Hanano and others to look at ordinances where there is a disconnect or challenges between the legislative policy and the administrative enforcement. He asked Director Regan if there are particular areas that he would like to suggest to the Commission. Director Regan answered that the biggest one was the short term rental issue and it has been taken care so as far as enforcement. Now it is the Administration's turn to execute, but beyond that issue there are others. He gave other examples such as: ocean recreation activities permits, not enough park rangers, and giving park rangers proper law enforcement authority. Chair De Rego asked Director Regan about the park rangers, inquiring if enforcement is currently in the hands of the police department or the parks department. He stated that the Administration receives calls about different issues such road side lunch wagons. As a part of the County Code, DMVL issues business licenses to road side lunch wagons. He added that the DMVL does not have the staff to police every road side lunch wagons to make sure they have a business license. He said this is an example of legislation that requires a permit to be issued but has no strong enforcement component to it.

Chair De Rego asked if that includes the fruit side stands that he has seen on the road to Hana. Director Regan replied that those stands are exempt from the County Code. He commented that he had some experience with that issue and did some research. He also commented on his experience with Ocean recreation permits when he was Finance Director; these permits are now called CORA (County Ocean Recreation Activities).

Director Regan shared that the calls received by the Mayor's office are logged and investigated. Most calls the Administration receives are about road side vendors and ocean recreation activities. Director Regan reflected that these is a need to study the right and wrong ways of enforcing laws and to review those aspects of bills, legislation, or the code that need to be modified in order for the County to do a better job of enforcement. He stated that he does not have the answer to this complex issue, but this is something that the Commission might consider investigating.

Director Regan introduced Mr. David Ching, his First Assistant.

Director Regan said that his department is looking for ways to encourage employees to be more innovative and asked the Chair and Commissioner to consider this on the agenda. He explained they have been discussing and researching this subject. He would like COGC to take a look at this policy and decide if it would or would not be beneficial. Chair De Rego asked Director Regan about the background for this policy suggestion. Director Regan shared that it started with an employee coming to his office ten months ago to share ideas about improving his department's operations. These same suggestions were shared by the employee with his supervisor, but were ignored.

Director Regan continued that there must be a way to encourage employees to come forward with ideas because they're on the front line dealing with the public. He shared that throughout the nation there are a number of jurisdictions and government entities that have innovation pay policies. The policy encourages employees to submit ideas/concepts that could improve their department and/or make it function more efficiently. The ideas would then be considered by a body whose function was to determine the ideas' merits. He continued that there would be a reward to employees who came forward with ideas that were implemented. Overall, the intended outcome of such an incentive program is to encourage employees to be more efficient, effective and involved in their jobs. He commented that it would better if an independent body, such as COGC, reviews these ideas to determine whether it will work or not.

Vice Chair Kawahara asked if Director Regan believed such a program would result in push back from the unions. Director Regan answered possibly and that everything has to go through consultation. He added that the unions have been very receptive to current changes that have been made. He said the unions will cooperate as long as they are a part of the process and believe the changes as good for their members. Vice Chair Kawahara recalled the change to automated trash pick up. Director Regan shared that the union-management relationship has improved and they are talking.

Chair De Rego asked to have a presentation on the Vehicle Usage Policy once it has been implemented.

Commissioner Rohlfing commented that the COGC is not the only Commission that they could go to, but such an incentive program could be implemented by the Salary Commission. Chair De Rego clarified that the Salary Commission does not deal with salaries in general but just for department heads, deputies, and elected officials. Commissioner Rohlfing said they do not deal with negotiation.

**IX. LETTER ON MANAGEMENT INFORMATION SYSTEMS TECHNOLOGY ASSESSMENT REQUEST FOR PROPOSAL (RFP) ADDRESSED TO KEITH REGAN, MANAGING DIRECTOR, DEPARTMENT OF MANAGEMENT**

**A. Approve letter on Commission's suggestions for areas to be included in the Management information Systems Technology Assessment RFP**

Chair De Rego reminded the Commissioner about the conversation between the Commission and Mr. David Ching and composed a letter for the MIS technology assessment RFP. He added Commissioner Gat's suggestions. Vice Chair Kawahara suggested replacing the heading **QUESTION** in the letter.

Vice Chair Kawahara moved and Commissioner Evans seconded the motion approving the letter on the MIS technology RFP as amended addressed to Mr. Keith Regan, Managing Director. The motion passed unanimously.

**X. DISCUSS IDEAS AND ORGANIZATION FOR THE COST OF GOVERNMENT COMMISSION 2012-2013 ANNUAL REPORT**

**A. Vote on subjects for the 2012-2013 Annual Report**

Chair De Rego listed of potential subjects for the 2012-2013 Annual Report:

1. **Information Management System and Business Process** - Vice Chair Kawahara suggested including this subject in the report as part of the summary, describing why it is important and what has been done. Chair De Rego agreed that this subject could be included in the introduction to the annual report.
2. **Health Care System**- Commissioner Rohlfing moved, but there was no second to the motion, therefore, the motion dies.

3. **Wastewater and Water Recycling System-** No motion was made.
4. **Legislative Policy and Administrative Enforcement-** Commissioner Gat commented that the subject was too broad. He added it would take a lot of resources and time. Commissioner Evans commented that there is a lot of gray area, but thought it was interesting, for example, with law enforcement and regulating the beaches. Chair De Rego suggested picking one area: ocean activities, short term rentals. Vice Chair Kawahara commented that limiting the subject area might make the subject too small an issue for the Commission. Commissioner Evans added that it should be an enforcement study, something that does not just cover ocean or short-term rentals, but anything that will fall in that category. Commissioner Halpin recalled the oversight over the Council could be a subject. Vice Chair Kawahara suggested looking at when Council passes legislative policy, they estimate the employees needed and cost to the County. Chair De Rego asked what an investigative committee would do if it were looking at this issue. Commissioner Rohlfing commented that this is a cautionary situation for this Commission and gave an example from when he was Deputy Corporation Counsel, which caused him to resign. There is a basic conflict of interest as the Corporation Counsel represents both the Council and the Administration. Chair De Rego confirmed that there could be a conflict. Commissioner Evans moved, but there was no second to the motion. Commissioner Gat asked for more discussion.
5. **Deferred Developer Agreements-** Chair De Rego suggested including this subject in the report as part of the summary.
6. **Upcountry Water Meter-** Vice Chair Kawahara commented that the Department of Water Supply is self supporting and appears to be running efficiently. Commissioner Rohlfing agreed with Deputy Director Meyer's current assessment of the situation and said it was very positive. No motions were made.
7. **Other suggestions**
  - **Comprehensive list of County services offered to the public, COGC decides which ones should be subsidized by the taxpayers (e.g. parks, swimming pools, etc.) and which ones should be self-supporting (i.e. water, sewer, refuse collection, Waiehu Golf Course, etc)-** Vice Chair Kawahara motion and Commissioner Kanahuna seconded the motion to get a comprehensive list that is offered to the public and within that subject the investigative subcommittee will select an area. Motion passed unanimously.
  - **County Permitting Process -** Mr. Sandy Baz suggested at a previous meeting that Permits should be consolidated. Vice Chair Kawahara shared this has been a big issue with past administrations, there was a Zucker report that addresses this problem, but never implemented. He stated that it takes too long to obtain a permit. Chair De Rego asked if Vice Chair Kawahara was suggesting that the Commission take the report to use it as a base for investigation. Vice Chair Kawahara answered yes. Vice Chair Kawahara explained the difference between Maui's and the mainland permitting process. Commissioner Halpin asked if the COGC, like the campus space reports, should review the report and then decide to endorse it or not. Vice Chair Kawahara answered yes and shared that there was a difference of perspective in both reports and the annual report addressed those issues. Vice Chair Kawahara added that looking at the permitting process is not about saving money, but creating efficiency. Commissioner Kanahuna asked if the Subcommittee will determine which division or department will be studied. Commissioner Gat said there are the Planning permits and Public Works. Commissioner Gat commented that both types of permits should be on one form. Vice Chair Kawahara pointed out that issue of the permitting process is a problem that has not been solved in the past three administrations. Commissioner Halpin asked if the Commissioners think the COGC recommendations would be listened too. Commissioner Halpin added that when a new administration comes in, it is likely that they do not want to continue projects of the previous administration or make changes to a project and start over again. Commissioner Halpin questioned that a recommendation from this board would be viewed differently and has a better chance of succeeding. Vice Chair Kawahara said he was not suggesting that this issue is something the Administration was not able to resolve; part of the problem may be the politics of the issue and the culture of the departments involved. Mr.



Michael Molina, Executive Assistant to the Mayor suggested Executive Assistant Randy Piltz as a resource.

- **Privatization of the PALS program, youth centers and certain Parks maintenance-** No motion was made.
- **Office of Council Services, County Clerk and Office of Elections-** Commissioner Rohlfing suggested leaving this issue alone. Commissioner Halpin added, because it is around election time, it maybe a suitable for the Board of Ethics. Chair De Rego shared the importance of the performance audits in addition to financial audits. Vice Chair Kawahara suggested the new County Auditor should look at these departments. Commissioner Rohlfing asked Mr. Molina his beliefs about the reaction of the County Council if the COGC studied these areas of the legislative branch. Chair De Rego reminded the Commissioners that the COGC is mandated by the Charter to review cost, efficiency, and quality in both the executive and legislative branches. Mr. Molina added that looking at the personalities that most of the members are open to suggestions and suggested sending a formal letter to the Council Chair of the COGC's thoughts to get feedback. Commissioner Halpin moved and Vice Chair Kawahara seconded the motion to continue to discuss. Vice Chair Kawahara suggested that the COGC follow up on Mr. Molina's suggestion to write the Council Chair a letter first. Mr. Molina added that the COGC be mindful because the media tends to spin things too. Commissioner Halpin rescinded the motion. Vice Chair Kawahara moved and Commissioner Kanahuna seconded the motion to have Chair De Rego on behalf of the COGC draft a letter to the Council Chair and request input on areas where the Commission could review the Office of Council Services and the County Clerk's Office. Motion passed five ayes, one abstained.
- **Incentives policy for employees-** Commissioner Gat shared that he has seen so many mixed results with incentives for employees; it is not worth looking at. Commissioner Evans shared that it may be good for the county or employer, but not for taxpayers. He voiced if an employee innovation program was initiated then it should be a stewardship award and not tied to financial incentives paid by taxpayers. Commissioner Halpin added that the Commission may end up with these conclusions that were suggested, but it is worth examining and come to that conclusion. Commissioner Halpin moved and no one seconded the motion to accept as a possible subject for investigation. Motion dies.

Chair De Rego decided to go back to the subject of the permitting process for further discussion and a vote. Commissioner Rohlfing moved and Commissioner Evans seconded the motion to accept the permitting process as a subject for investigation. Motion passed unanimously.

**B. Investigative Subcommittee Assignments- Chair De Rego asked for volunteers for the two Subcommittees that would study the chosen subjects for the COGC's 2012-2013 Annual Report**

1. County Services
  - Commissioner Kanahuna
  - Commissioner Rohlfing
  - Commissioner Halpin
  - Commissioner Johnson\*
2. Permitting Process
  - Commissioner Evans
  - Vice Chair Kawahara
  - Commissioner Gat \*

\*Indicates Chairperson for Investigative Committee

Chair De Rego reminded the Commissioners to mind the Sunshine Law and to keep all notes and interviews.

**XI. DETERMINE NEXT MEETING DATE AND AGENDA**

**X. ADJOURNMENT**

Commissioner Halpin moved and Commissioner Gat seconded the motion to adjourn. The motion passed unanimously. Adjourned 12:32 PM.