

COST OF GOVERNMENT COMMISSION
MINUTES
Kalana O Maui Building, 9th Floor, Mayor's Conference Room
Thursday, February 14, 2013

PRESENT: Frank De Rego Jr., Chair
Garrett Evans, Member
Jeffrey Halpin, Member
Joseph Kanahuna, Member
Victoria Johnson, Member

Ronald Kawahara, Vice-Chair
Fred Rohlring, Member
Rick Tanner, Member
Tina Gomes, Member

EXCUSED: None

STAFF: John Buck, Executive Assistant
Michelle Makii, Administrative Assistant

Scott Hanano, Corporation Counsel

I. CALL TO ORDER

Chair De Rego called the meeting to order at 9:03 a.m.

II. PUBLIC TESTIMONY

There was no public testimony.

III. REVIEW AND DISCUSS JANUARY 10, 2013 MINUTES

Vice-Chair Kawahara moved and Commissioner Rohlring seconded the motion to pass January 10, 2013 meeting minutes. Motion carried unanimously.

IV. REVIEW AND DISCUSS CORRESPONDENCE RECEIVED

There was no correspondence received.

V. STATUS OF CHARTER AMENDMENT IMPLEMENTATION

Chair De Rego reported that he testified at the Budget and Finance Committee Meeting on January 29, 2013 regarding the Office of the County Auditor. He mentioned that the Charter Commission's intent was that the position be non-political as possible. The Chair also observed that the COGC's role is to act as a check and balance between the Legislative and Executive Branch as it pertains to the Office of the County Auditor. After his testimony, Council Member Couch asked for a written testimony as well as the reference to the Charter Commission's Final Revised Report. Chair De Rego decided to write an official letter as Chair of the COGC to the Budget and Finance Committee outlining what was in his testimony while expanding on it. Chair De Rego asked the Commission if they had any questions.

Commissioner Gomes asked if the Council is still on track for July 1, 2013. Chair De Rego explained that the Council appeared to take the COGC's suggestion of creating a Temporary Investigative Group (TIG) of the Budget and Finance Committee to handle the hiring of the County Auditor. The Chair understands that the TIG is charged to come up with one name for the Budget and Finance Committee to review and approve. The goal of the Budget and Finance Committee is to hire the County Auditor by the end of March 2013 before the Council reviews the Budget. In the letter, Chair De Rego suggested that the TIG do more expansive work than just hiring the County Auditor. He feels that there are many issues to be worked out such as the relationship of the County Auditor to the COGC, annual evaluations of the County Auditor and staff allocations.

Chair De Rego mentioned that Mayor Arakawa suggested to Council Chair Gladys Baisa and Budget Chair Mike White that Marion Higa, retired State Auditor for over 20 years, assist the Council in setting up the Office of the County Auditor. The Mayor had chatted with Marion Higa during the opening of the legislature in January. Chair De Rego believes that this is a great idea because Marion Higa is experienced in this field, but the Chair cautioned that Ms. Higa must be informed of the Charter language

in establishing this office and the intent of the Charter Commission as outline in its Final Revised Report. The Chair continued that the state model of the auditor's function was rejected by the Charter Commission in favor of an independent auditor with powers to review both the Legislative and Executive branches of government.

Vice-Chair Kawahara suggested that, for the record, Chair De Rego read his five main points in the letter.

Chair De Rego stated his five main points:

1. An ordinance should be passed that establishes the Office of the County Auditor and the Cost of Government Commission as and advisory body to that office
2. The process to appoint the Auditor should be open and transparent
3. A clear job description should be created based on the qualifications outlined in the County Charter and the TIG might also create a list and consider other qualities necessary for an effective Auditor
4. The appointment process for the Auditor should be non-political (as possible)
5. Any potential Auditor appointee should understand the importance of collaborating with the Cost of Government Commission as outlined in the Charter

Vice-Chair Kawahara explained that the role of a County Auditor would entail looking at processes, risk-reward ratios and cost effectiveness. He thought that the County Auditor's performance should be annually evaluated by the COGC based on the measurement of goals completed during the year.

Commissioner Gomes suggested that since the term of the County Auditor is six years, a six-year strategic plan should be implemented.

Vice-Chair Kawahara commented that the Charter Commission sets the overall qualifications and the purpose of the County Auditor. At this point, he thought that it's best to wait on a strategic plan as the job description hasn't even come out yet.

Commissioner Gomes asked if the County Council is open to assuring that there is a relationship between the COGC and the County Auditor.

Vice-Chair Kawahara responded that the COGC will be the one establishing a relationship with the County Auditor. He believes that this is very important in that it sets precedence for the coming years.

Commissioner Johnson asked if the COGC will have representatives in the meeting when the County Auditor's job description is created.

Vice-Chair Kawahara responded that he doesn't think that the COGC should get involved with testifying for or against any particular plan. He thought that the COGC should suggest an outline of the job description of the County Auditor because there's no precedent in the County for that job.

Chair De Rego explained that the turnaround time is going to be very quick because the Council is looking to hire by the end of March 2013.

Shelley Pellegrino, Technical Writer, announced that the County Auditor position has already been posted on the Maui County website.

Commissioner Gomes asked if the Council has an idea as to how the Office of the County Auditor is going to look, Executive Assistant, John Buck replied that it was his understanding that the County Auditor is responsible for creating the Office of the County Auditor (i.e. staff, support).

After looking at the County Auditor job description posted on the Maui County website, Vice-Chair

Kawahara commented that it was interesting that one of the requirements of the County Auditor's position is to be a Certified Public Accountant (CPA) or a Certified Internal Auditor (CIA). He thought that a CPA doesn't necessarily qualify to be an auditor. He believes that the County Auditor needs to be someone with good management, communication and writing skills.

Vice-Chair Kawahara suggested writing a positive letter to the Budget and Finance Committee regarding the duties, responsibilities and qualifications of the County Auditor. Commissioner Johnson moved and Commissioner Gomes seconded the motion. Motion carried unanimously.

Executive Assistant, John Buck showed the Commission the County Auditor's job description via the Maui County website. Chair De Rego commented that this job description seemed vague and doesn't include establishing a working relationship with the COGC.

Commissioner Gomes asked that now that the job description is posted, what can be done. Chair De Rego replied that this is going to be part of the letter that the COGC sends to the Budget and Finance Committee. From what he understands, any correspondence that goes to the committee must be printed and part of their meeting agenda.

Commissioner Rohlfing asked who is a part of the Budget and Finance Committee TIG. Chair De Rego replied that Council Members Riki Hokama, Don Couch and Mike White.

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

a. Subcommittee Reports

i. Permits

Commissioner Evans reported that Permits Subcommittee met in January to work on their final draft which they passed around to the Commission. They plan to show this final draft to key people in the County as well to get feedback.

Commissioner Gomes explained that there are more findings through email conversations that were not inputted into this final draft. They will look through those emails and put it into the report.

Chair De Rego commented that the findings need to reference exhibits in the back of the report.

Chair De Rego commented that their report doesn't include the complicated and integrated nature of the permitting process. Integrated meaning that some permits may need to go through more than one department to get approvals (i.e. Fire, Water, Public Works and Planning Department). Commissioner Gomes stated that she got feedback as to the complicated and integrated nature of the permitting process. This is included in the emails that she just received.

Chair De Rego commented to add in what constitutes an adequate application.

Commissioner Gomes apologized for not having all the information in the final draft; however, she thinks that there is a good amount of information in those emails that will help with finalizing the report.

Chair De Rego commented that it would be good to reference pages in the reports and include

conversations.

ii. County Services

Commissioner Johnson reported that the County Services Subcommittee incorporated comments and questions from the last report draft to create a final draft that they passed out to the Commission. She explained that a question of n/a fees was asked in the last meeting and n/a meant that there are no fees applied. She reported that in the final draft, the writing style was changed to a narrative rather than point-by-point.

Chair De Rego commented that any references to exhibits need to be put in parenthesis.

Commissioner Johnson reported that there are 18 departments within the County, but only 14 of those that provide services to the public.

VII. Determine Next Meeting Date and Agenda

Next meeting will be March 14, 2013, 9:00 a.m. to 11:30 a.m. in the Mayor's Conference Room.

Next meeting's agenda will consist of the election of Chair and Vice-Chair for the COGC and approving the final reports.

VIII. Adjournment

Commissioner Tanner moved and Commissioner Gomes seconded the motion to adjourn. Motion passed unanimously. Meeting adjourned at 10:45 a.m.