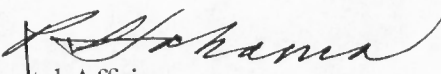


June 6, 2013

MEMO TO: Policy and Intergovernmental Affairs Committee Members

F R O M: G. Riki Hokama, Chair 
Policy and Intergovernmental Affairs

SUBJECT: **TRANSMITTAL OF LEGISLATIVE PROPOSAL RELATING TO
LITIGATION MATTERS (SPECIAL COUNSEL AUTHORIZATION TO ADVISE
AND REPRESENT THE COUNCIL ON POTENTIAL MISUSE OF COUNTY FUNDS)
(PIA-1(18))**

The attached legislative proposal pertains to Item PIA-1(18) on your committee's agenda.

pia:ltr:001(18)amc01:kmh

Attachment

Resolution

No. _____

AUTHORIZING THE POLICY AND INTERGOVERNMENTAL AFFAIRS COMMITTEE TO CONDUCT A FORMAL INVESTIGATION OF THE DEPARTMENT OF MANAGEMENT; DEPARTMENT OF FINANCE; BUDGET OFFICE, OFFICE OF THE MAYOR; DEPARTMENT OF PUBLIC WORKS; AND DEPARTMENT OF THE CORPORATION COUNSEL

WHEREAS, Section 3-6(3) of the Revised Charter of the County of Maui (1983), as amended ("Charter"), authorizes the Council to investigate the operation of any department or function of the County, and any subject upon which the Council may legislate; and

WHEREAS, as part of its investigation, the Council or Council committee is authorized by Section 78-9, Hawaii Revised Statutes, to compel persons elected to or appointed or employed in County government to testify regarding the government, property or affairs of the County; and

WHEREAS, the Council is concerned that the County may have violated the Fiscal Year 2012 Budget or other laws by entering into contracts to demolish the Old Wailuku Post Office and to begin the Kalana O Maui Campus Expansion master plan using an appropriation for rehabilitation of the Old Wailuku Post Office building; and

WHEREAS, the Council is also concerned about whether expenditures for work performed on the Old Wailuku Post Office site subsequent to demolition of the building, including paving of the site for parking purposes, were authorized; and

WHEREAS, the Council finds that, as the legislative body of the County, it is the Council's duty to ensure that payments authorized or made and obligations incurred against the County by the executive branch are in accordance with appropriations duly made and under such procedures and policies as established by ordinance; and

WHEREAS, the Council finds that in order to ensure the Council is fully informed of the relevant facts and circumstances, a formal investigation is required; now, therefore,

Resolution No. _____

BE IT RESOLVED by the Council of the County of Maui:

1. That it hereby authorizes the Policy and Intergovernmental Affairs Committee ("Committee") to conduct a formal investigation of the Department of Management; Department of Finance; Budget Office, Office of the Mayor; Department of Public Works; and Department of the Corporation Counsel (the "Departments"); and
2. That during the formal investigation of the Departments, the Committee may summon the following employees to appear or testify before the Committee:
 - a. Department of Management:
 - (1) Managing Director;
 - (2) Countywide Capital Improvement Program ("CIP") Coordinator;
 - (3) CIP Coordinator (Project Manager); and
 - (4) CIP Project Coordinator;
 - b. Department of Finance:
 - (1) Director of Finance; and
 - (2) Central Purchasing Agent;
 - c. Budget Office, Office of the Mayor:
 - (1) Budget Director;
 - d. Department of Public Works:
 - (1) Director of Public Works; and
 - (2) Highways Division Chief;
 - e. Department of the Corporation Counsel:
 - (1) Corporation Counsel; and
 - (2) Appropriate Deputy Corporation Counsel; and
3. That upon lawful notice or process, the Committee may summon any other person elected, appointed, or employed in the County who is necessary to complete the formal investigation; and
4. That a formal investigation may be conducted on the following matters:
 - a. Use of the Fiscal Year 2012 appropriation for the Old Wailuku Post Office Rehabilitation project, including:

Resolution No. _____

- (1) Contract C5155 for the Kalana O Maui Campus Expansion and Contract C5228 for the demolition of the Old Wailuku Post Office building;
 - (2) Any Request for Proposals;
 - (3) Policies and procedures for authorizing or approving the contracts; and
 - (4) Policies and procedures for Department of the Corporation Counsel's review and approval as to form and legality of the contracts;
- b. Work performed on the Old Wailuku Post Office site subsequent to demolition of the building, including paving for parking purposes:
- (1) Any funds used to pay for the work;
 - (2) Any Requests for Proposals; and
 - (3) Any contracts for work; and
5. That the Committee, as part of its investigation, is authorized to initiate an independent financial or performance audit of the Departments; and
6. That the Committee shall prepare and submit its findings and recommendations to the Council on a periodic basis; and
7. That certified copies of this resolution be transmitted to the Mayor; the Managing Director; the Countywide CIP Coordinator, Department of Management; the CIP Coordinator (Project Manager), Department of Management; the CIP Project Coordinator, Department of Management; the Director of Finance; the Central Purchasing Agent, Department of Finance; the Budget Director, Office of the Mayor; the Director of Public Works; the Highways Division Chief, Department of Public Works; the Corporation Counsel; the Chair of the Policy and Intergovernmental Affairs Committee; and David Louie, Attorney General, State of Hawaii.