

POLICY AND INTERGOVERNMENTAL AFFAIRS COMMITTEE

Council of the County of Maui

MINUTES

September 25, 2013

Council Chamber, 8th Floor

CONVENE: 9:05 a.m.

PRESENT: Councilmember G. Riki Hokama, Chair
Councilmember Donald G. Couch, Jr., Vice-Chair
Councilmember Gladys C. Baisa, Member
Councilmember Robert Carroll, Member
Councilmember Elle Cochran, Member (In 9:19 a.m.)
Councilmember Stacy Crivello, Member
Councilmember Don S. Guzman, Member
Councilmember Michael P. Victorino, Member
Councilmember Mike White, Member

STAFF: Kirstin Hamman, Legislative Attorney
Tammy M. Frias, Committee Secretary
Ella Alcon, Council Aide, Molokai Council Office (via telephone conference bridge)
Denise Fernandez, Council Aide, Lanai Council Office (via telephone conference bridge)
Dawn Lono, Council Aide, Hana Council Office (via telephone conference bridge)
Lance T. Taguchi, County Auditor, Office of the County Auditor (Item PIA-41)
Scott K. Kaneshina, Senior Analyst, Office of the County Auditor (Item PIA-41)

ADMIN.: Michael J. Molina, Executive Assistant, Office of the Mayor (Items PIA-2(13), 2(14), and 2(15))
Tivoli S. Faaumu, Captain, Uniformed Services Bureau (Kihei District), Department of Police (Item PIA-1(27))
Lydia A. Toda, Risk Management Officer, Department of the Corporation Counsel (Item PIA-1(28))
Moana M. Lutey, Deputy Corporation Counsel, Department of the Corporation Counsel (Items PIA-1(27), 1(28))
Caleb P. Rowe, Deputy Corporation Counsel, Department of the Corporation Counsel (Item PIA-1(28))
Edward S. Kushi, Jr., First Deputy Corporation Counsel, Department of the Corporation Counsel

OTHERS: Francis Skowronski (Item PIA-2(14))
Others (3)

PRESS: Melissa Tanji, *The Maui News*
Akaku--Maui County Community Television, Inc.

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CHAIR HOKAMA: ... (gavel) ... Good morning. This is Council's Committee on Policy and Intergovernmental Affairs. This is our meeting of Wednesday, the 25th of September, 2013. Present at this Committee meeting is Vice-Chairman, Mr. Couch.

VICE-CHAIR COUCH: Good morning, Chair.

CHAIR HOKAMA: Good morning. Committee Members, Mr. Carroll --

COUNCILMEMBER CARROLL: Good morning.

CHAIR HOKAMA: --good morning, Ms. Crivello --

COUNCILMEMBER CRIVELLO: Good morning, Chair.

CHAIR HOKAMA: --Ms. Baisa --

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR HOKAMA: --Mr. White --

COUNCILMEMBER WHITE: Good morning, Chair.

CHAIR HOKAMA: --Mr. Guzman --

COUNCILMEMBER GUZMAN: Good morning, Chair.

CHAIR HOKAMA: --and Mr. Victorino.

COUNCILMEMBER VICTORINO: Good morning, Chair.

CHAIR HOKAMA: The Chair excuses at this time Ms. Cochran. Members, we have a pretty good sized agenda for today but prior to starting the actual specific items of Committee, we shall take public testimony. We will allow each testifier to speak for three minutes on each item. I would request that the individual please share his or her name and representing any organization, that organization's name and we also have our sister offices in Hana, Lanai, and Molokai providing opportunities for our residents in those locales to provide their comments on any item that we have agendized for today. So at this time I'll ask Ms. Frias, do we have anyone that has requested to provide testimony in the Chamber, please?

MS. FRIAS: No, Mr. Chair.

CHAIR HOKAMA: Okay, thank you very much. We'll ask the Hana Office, Ms. Lono, do you have anyone that would like to share comment or testimony with the Committee this morning, please?

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MS. LONO: Good morning, Chair. The Hana Office has no one waiting to testify.

CHAIR HOKAMA: Thank you very much. Lanai, Ms. Fernandez, is there anyone that would like to provide testimony to the Committee this morning?

MS. FERNANDEZ: Good morning, Chair. This is Denise from Lanai and there is no one waiting to testify.

CHAIR HOKAMA: Thank you. Molokai, is there anyone that would like to present testimony to the Committee this morning, please?

MS. ALCON: Good morning, Chair. This is Ella Alcon on Molokai and there is no one here waiting to testify.

CHAIR HOKAMA: Okay, thank you. Members, I see no one else in the Chambers wishing to provide testimony, so with no objection, Members, we shall close testimony for today's meeting.

COUNCIL MEMBERS: No objections.

CHAIR HOKAMA: Thank you. So ordered. Thank you, Lanai, Molokai, and Hana offices.

ITEM PIA-2(13): NOMINATIONS TO BOARDS, COMMITTEES, AND COMMISSIONS
(URBAN DESIGN REVIEW BOARD) (CC 13-42)

CHAIR HOKAMA: Members, may I please direct you to Policy Item 2(13) This is regarding nominations to boards, committees, and commissions. This is specifically regarding the Urban Design Review Board. We have received correspondence dated August 12, 2013, from Mayor Arakawa, who is recommending and nominating a, the individual Fiona van Ammers, if I am pronouncing that correctly, to be appointed as a member of the Urban Design Review Board, for a term expiring March 31, 2017, to fill a vacancy due to a resignation. This morning, we have Mr. Molina from the Administration that would give us some comments to the Committee. Good morning, Mr. Molina.

MR. MOLINA: Good morning, Mr. Chairman, and good morning, Committee Members. The Administration would like you to consider the nomination of Fiona van Ammers. She is currently an engineer and employed at SSFM International and also a very active community member. If you will note on her resume, she is also a Ka Ipu Kukui Fellow and a very enthusiastic young person who is eager to serve on our boards and commissions, in particular the Urban Design Review Board. And if you have any questions with regards to her, although she's not here, I can try to answer some of those questions for you. But again, we would ask for your consideration of confirming Ms. van Ammers to the Urban Design Review Board. Thank you, Mr. Chairman. Thank you, Committee members.

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CHAIR HOKAMA: Thank you, Mr. Molina. Members, any questions for Mr. Molina regarding the nomination of Ms. van Ammers? Mr. Carroll?

COUNCILMEMBER CARROLL: I've looked over this nomination, Chair, and I can support this. Thank you.

CHAIR HOKAMA: Okay. Ms. Crivello, any questions for Mr. Molina?

COUNCILMEMBER CRIVELLO: No, I can support the nomination, thank you.

CHAIR HOKAMA: Okay, thank you. Mr. Couch?

VICE-CHAIR COUCH: No, Chair.

CHAIR HOKAMA: Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: No, Chair, I happen to know the applicant because of Ka Ipu Kukui and I have no concerns about the nomination, thank you.

CHAIR HOKAMA: Thank you. Mr. White?

COUNCILMEMBER WHITE: No questions, Chair.

CHAIR HOKAMA: Thank you. Mr. Guzman?

COUNCILMEMBER GUZMAN: No comments.

CHAIR HOKAMA: Mr. Victorino?

COUNCILMEMBER VICTORINO: Chair, I looked over the resume and I know of this young lady and fantastic, you know, very well qualified and I think will be a big help to the Board, and I think, you know, we're very happy that someone like, of this caliber, will step forward and help us in an area where sometimes we really do need help. Thank you, Mr. Chair.

CHAIR HOKAMA: Thank you. Mr. Molina, is there any other comments you would like to share before the Chair moves forward with this consideration this morning?

MR. MOLINA: No, Mr. Chairman.

CHAIR HOKAMA: Okay, thank you very much. Members, the Chair will be entertaining a motion to place the name of Fiona van Ammers to the Urban Design Review Board for a term expiring on March 31, 2017, on Exhibit "B". Mr. Couch?

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will ask him after Mr. Molina gives some opening comments, for him to share some of his thoughts with the Committee. So, Mr. Molina, if you would care to share some comments, please?

MR. MOLINA: Thank you, Mr. Chairman and Committee members. Mr. Skowronski has graciously accepted the opportunity to serve on the Cultural Resources Commission. As you can see by his resume, he has quite a background in architecture and he is employed by Territorial Architects, Limited, the principal architect, and was formally a member, ironically, of the Urban Design Review Board, which we had earlier talked about, and also he is the past president of the Maui Chapter of the American Institute of Architects. According to the Code, there is a need, or a preference to have someone on the Cultural Resources Commission with an architectural background. As far as we know, the current members that are there right now, there is no one with that kind of background. So with that being said, Mr. Chairman, the Administration would like to ask you for your consideration and as you had mentioned earlier, Mr. Skowronski is here as well to answer any questions you or your Committee members have. Thank you.

CHAIR HOKAMA: Okay, thank you, Mr. Molina. Members, before we ask Mr. Skowronski to come forward, is there any questions for Mr. Molina at this time? Okay, having none, we'll ask Mr. Skowronski if he would please come to the podium and if he can introduce himself and share some comments with us, including why he feels he's qualified to be on the Cultural Resources Commission. Good morning, Sir.

MR. SKOWRONSKI: Your honor, good morning, Council Members. My name is Frank Skowronski with, I incorporated Territorial Architects back in the '70s. I've been on Maui and practicing architecture since that time. I have a daughter and a granddaughter. We're raising our family here and I'm offering my time and services for one of these commissions.

CHAIR HOKAMA: Okay. Anything else you'd like to share at this time, Mr. Skowronski?

MR. SKOWRONSKI: No, I think that what I've laid out in the application pretty much speaks for itself.

CHAIR HOKAMA: Okay. I'll allow...the Chair has a few questions, but I'll allow the Committee to ask questions first. Mr. Carroll, any questions for the nominee?

COUNCILMEMBER CARROLL: Thank you, Chair. Your statement inside your, in your application, should Maui County actively pursue planning policy of zero growth, only the most dire consequences can result in hard, unpopular, painful choices of controlled growth, uniformly enforced by agencies is the only real tool the County of Maui has to safeguard any future quality of island lifestyles. How do you see serving on your committee, this committee, how would you obtain the goals that you have outlined over here?

MR. SKOWRONSKI: We have experienced in the past of having projects that were in the historic district, and trying to soften the impact of what new construction and conformance to the new

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Codes has always been a challenge through our offices, and we're trying to give a new perspective or an added perspective as to how to handle the challenges of the new Code, of new fire and safety issues, and still keeping the scale and the scope of the older sections and the more historical areas of the island intact while conforming to the 21st century.

COUNCILMEMBER CARROLL: No further questions. Thank you, Chair.

CHAIR HOKAMA: Thank you, Mr. Carroll. Ms. Crivello, questions for the nominee?

COUNCILMEMBER CRIVELLO: Aloha and good morning. Thank you for being here. Thank you for, you know, taking the opportunity to continue to serve. I've noticed you've served in previous commissions. You know, it's often been said that if we have the basic foundation for proper planning and for the historic sites that's available or what have you and protecting the na iwi kupuna as well as the places they, our kupuna are interned, how do you see, obviously you have the background and understanding, but how do you see your role in advising, I guess, our State and Federal as to how we can have responsible development to protect the na iwi or the historic sites?

MR. SKOWRONSKI: Well, the concept of, you know, we're looking at it from the perspective that growth is inevitable and that a responsible response of how to handle the growth and ameliorate it and mitigate it so that it still fits into the texture and the scope of what is there now and respecting what is there but infusing new life and economic potential into what's there so it can sustain itself and doesn't get sold out to the highest bidder or get rolled over in some sort of tidal wave of new development or economic consistency. Trying to justify economic growth by turning your back or taking advantage or exploiting what scale is presently in place is something that we would try to lend our expertise on how to have the expanded growth but not sacrifice the existing scope and scale of what's there.

COUNCILMEMBER CRIVELLO: Thank you. Chair?

CHAIR HOKAMA: Please continue.

COUNCILMEMBER CRIVELLO: So, we know we've had our challenges with our State Historic Preservation Department, with the Department of Land and Natural Resources, and from what we can gather, they're trying to make it work. And I would think our, this Commission would somehow or other be the eyes also on behalf of our County in assuring that the integrity of the historic review process is upheld. Do you see that of value?

MR. SKOWRONSKI: Of value to maintain the historical perspective? That's one of the reasons I'm anxious to be on the Board is that it's going to be a fine juggling act to keep that historical perspective while allowing an economic growth to occur within it. By our reaction to the zero growth, our reaction to a complete denial or stopping of any type of construction or any type of improvement in a historic district, we feel is a recipe for having that district economically unsustainable and therefore it just dies of its own accord. So we're trying to look at it from the

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standpoint that while we're allowing for and while we're paying respect to the historic perspectives that are coming from Honolulu, we also have to infuse the decisions with some sort of local perspective that perhaps Honolulu is either not paying attention to or has a different take. The local perspective, the differences in the historic perspective on the other islands, on Kauai or on the Big Island, or even Molokai are markedly different than what they are here, and particularly what they are in Honolulu and we consider that a difference of vibrancy that we would like to maintain.

COUNCILMEMBER CRIVELLO: Thank you, and I also appreciate your comment in your application that to provide a balanced review of projects proposed for Maui's future. I appreciate that. Thank you.

CHAIR HOKAMA: Thank you, Ms. Crivello. The Chair would like to welcome Ms. Cochran to the meeting this morning.

COUNCILMEMBER COCHRAN: Thank you, Chair, and excuse my tardiness this morning.

CHAIR HOKAMA: No problem. You know what, I'll allow you to kind of settle in and I will return to you if you have questions for Mr. Skowronski.

COUNCILMEMBER COCHRAN: Okay.

CHAIR HOKAMA: Mr. Couch, any questions for the nominee?

VICE-CHAIR COUCH: No questions, Chair.

CHAIR HOKAMA: Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: Majority of the questions that I had thought about have already been asked, but I have just maybe if you could just embellish a little bit your familiarity with the Hawaiian culture?

MR. SKOWRONSKI: Only by 32, 33 years of association mostly from the standpoint of an architectural sense of scale and architectural sense of construction technique, trying to infer, perhaps, what was going on in people's minds when they designed or when they set up construction or wanted to do certain things in the built environment and looking at it from a historical perspective trying to infer what was going on. As far as personal experiences with Hawaiian culture, that's not in my gene pool.

COUNCILMEMBER BAISA: Thank you very much for your honesty. I appreciate it. And thank you for volunteering. Thank you, Mr. Chair.

CHAIR HOKAMA: Thank you, Ms. Baisa. Mr. White?

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COUNCILMEMBER WHITE: No questions, thank you, Chair.

CHAIR HOKAMA: Thank you. Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. Seems as though most of the questions have been answered but I just wanted to ask something kind of a little bit more specific. In your opinion, in your professional opinion, when you're looking at buildings, you know, as a whole, do you somehow find a way to see a nexus between the history and culture of the community? Like, for instance, if a community has put forth monies to build their own community, would you consider that historical or cultural in the sense of preserving that community center?

MR. SKOWRONSKI: Well, we've always looked at the concept of history as a continuum and not something that's frozen in time so that typical to the DLNR, they start putting timeframes on what they consider historically significant and has to be saved. We look at it from the standpoint that history is an evolving sort of situation and ten years from now, you know, some of the structures that we review or some of the structures that we build or design will be considered historical to a certain extent so that as developments occur and as construction occurs, and as economic activity occurs, if it is developed in some sort of respect to what happened or what occurred prior to that, that now becomes part of the historical fabric that we would like to maintain so that it holds up. There are unfortunately a number of construction and buildings in the built environment that may qualify as being historical that were constructed without any historical sense to it or any historical respect, and those buildings we consider, or I would consider marginal, whereas newer, the newer construction that has a historical respect we would consider a part of the built environment that needs to be maintained, upgraded, or mimicked or repeated, but not all buildings that have a time pedigree are necessarily part of this historical fabric that needs to be maintained.

COUNCILMEMBER GUZMAN: Thank you, Chair. And the only reason why I'm bringing this up is that we were on Lanai yesterday and I was introduced by one of the old Sakadas, that we would call, that he actually went out and got thirty-two of his coworkers back in the early 1930s or '40s to help build their community center, and all of them used a weeks worth of their wages to build that community center. And to me that felt very culturally and historically connected to the community and so that's, I just wanted to see a baseline question and how you would respond to that. But thank you very much.

CHAIR HOKAMA: Thank you, Mr. Guzman. Mr. Victorino?

COUNCILMEMBER VICTORINO: Thank you, Chair, and most of the questions, again, have been asked, so for myself I guess the only other question I would have is the cultural sensitivity to the host culture, of course, very important when you're talking. In anything we do, preserving historic and culturally sensitive buildings are important but there's a lot more to that. So are you, as being that a long-term resident, have a good understanding of what the host culture means to the islands, especially to Maui County?

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MR. SKOWRONSKI: Well, I believe so. We've tried to incorporate that in our own personal, in our own work through our firm of trying to not import a foreign sensitivity or a modernistic sensitivity to a project or scope of a project or an agenda on a project that needs to be set within its historic context. Again, this is the challenge of trying to meet current codes for public health and safety and economic sustainability and viability and yet still show a respect in scope, scale, color, massing, et cetera, of what came before or what the intentions are. The culture is evolving and is not static, and therefore the built environment should reflect that evolution and not be entrenched or pigeonhole'd into some sort of set of ironclad guidelines or rules. It should evolve as the programs and as the culture is evolving.

COUNCILMEMBER VICTORINO: Thank you, and thank you for being here and putting yourself out like this. You know, it's not easy to answer questions and, you know, here you volunteer and then we, you know, sort of just kind of continuously drill you on what we think and what we hope you think, yeah. But please forgive us because we want to make the best choices we can so that these various boards and commissions can be what I consider actively engaged in preserving and continuing the greatness of Maui County. So thank you very much for being here.

MR. SKOWRONSKI: Thank you.

COUNCILMEMBER VICTORINO: Thank you, Chair.

CHAIR HOKAMA: Thank you, Mr. Victorino. Ms. Cochran, any questions for the nominee?

COUNCILMEMBER COCHRAN: Thank you. Thank you for this opportunity and thank you, sir, for being here. In your little blurb here, you mention if this County is actively pursuing zero growth. Were you approached or was that mentioned to you in your applying for this position?

MR. SKOWRONSKI: No.

COUNCILMEMBER COCHRAN: Because that, that's...

MR. SKOWRONSKI: That's my observation. That's a personal observation.

COUNCILMEMBER COCHRAN: Well, okay. Okay. I was just wondering. Like you were approached and what are your thoughts on that but okay. I was just wondering where that term zero growth had come from.

MR. SKOWRONSKI: Right.

COUNCILMEMBER COCHRAN: Because I had, it's kind of new to my, that concept I've not thought about zero growth before. And also as, you know, born and raised Kanaka Maoli, I'm very, very tied, deeply tied and passionate about the culture here. You know, I understand bringing a balanced approach and you come from one perspective and others will bring forth that to the table also on this commission. I'm just curious because I have not heard of your firm prior to

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this. I'm just curious if there's any example or high profile, I guess, type of case or, you know, project that your firm has been involved with that I may be familiar with or have heard or seen to just get a sort of feel for your firm and the type of work that you've done?

MR. SKOWRONSKI: Okay. Well, one of the projects that I think would fit into this discussion would be the expansions we did at Saint Theresa's Church on Lipoa Street on South Kihei Road. The existing structures that were there were already set in place, and they came to us with very ambitious expansion ideas with a budget and trying to improve the services and the outreach programs of the parish. And what we came up with, one of the designs that we came up with that they eventually built was to keep the project low profile so that the existing church shape and form would not be compromised, because we felt that that was sort of a beacon or a form that was iconic to that part of south Kihei, and the idea then that the new construction and the new program, which was probably doubling the square footage on that site, could be integrated with the site so that it didn't go high rise or it didn't go modern. And it turned into a courtyard situation that tried to keep as low profile of the shapes as possible and still provide the services and have the forms and have the activities internally focused as opposed to externally so that the commercial, the difference and the inherent conflict or faceoff between commercial activities dominant along South Kihei Road and the programs and that were for the church itself, which were more metaphysical, shall we say, or noncommercial, would be separated from each other by having the buildings provide an arm or a protection so that internal activities happened onsite and did not overflow or impact the commercial feel of South Kihei Road. We tried to do that also with the new construction for Saint Damien Church that we constructed in Kaunakakai on Molokai, trying to keep the massing and keep the forms as consistent with what Father Damien provided on the island and set the structure back away from the street so that it wasn't competing with the commercial activities on the streetscape but was still set back and didn't back off on its form of religious and social concerns and activities. So the idea that you can integrate into an existing cultural form or existing cultural milieu, a new form that enhances that while not having to mimic everything around it or use forms and construction techniques that are either economically unviable, do not attend to fire safety or construction techniques, and the automobile and how the traffic patterns worked in town as it was. So we've done that for the diocese. We've done master planning for Seabury Hall when we did the new gymnasium there trying not to place the gymnasium on an open flat field but integrate it into the site, a very difficult sloping site, trying to take advantage of that so that forms and activities and functions can occur in marginal areas that perhaps were not thought of as being prime construction sites.

COUNCILMEMBER COCHRAN: Okay. Alright. Well, thank you. Thank you for those examples and it sounds like great work. Thank you, Chair, for that opportunity.

CHAIR HOKAMA: Okay, thank you. Mr. Skowronski, in your form to us, you had, it shows that you're still currently an active, are you the managing employee of your architectural firm?

MR. SKOWRONSKI: Yes. I'm the architect, the managing architect.

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CHAIR HOKAMA: Okay, and being the managing architect employee of your company, the time that this commission may require you is not an issue for you since you're the boss?

MR. SKOWRONSKI: We have a good enough staff and I don't think that...at my age the amount of work is slowing down by design, and I think that this would be an opportunity to enhance our knowledge and our perspective on our future work, so after the timeframe and after this, after our experiences on the Cultural Commission, I think that that would bring an added healthy perspective to future projects that would be coming out of our office.

CHAIR HOKAMA: Okay, thank you. And, you know, I appreciate your responses to the Committee members. I think you're very upfront and candid in your comments, which I appreciate very much. But what I've heard from our East Maui and our Molokai person and our West Maui, you know, for me on Lanai there's potentially great proposals of major changes on our island, and Mr. Guzman was kind enough to give an example, and I've heard your response about evolving and the continuation of the movement of culture, but if it is the community's desire to maintain certain things, such as that structure that Mr. Guzman brought up, how much does that play into how you as a commissioner then would view those type of potential requests to let's say replace that community building on our island?

MR. SKOWRONSKI: It's been our experience, particularly on the Molokai projects that as the public and the clients building committees become more and more familiar of what's required of them from the standpoint of Code requirements, public health and safety, infrastructure, that they, they see the value of putting their energy and their donated dollars into something that's viable, not something that is historically or even aesthetically a pretty picture. But there's more behind the picture that the architect and the engineering and the design team has to attest to than just what either Father Damien built or what was done by Dickey or what was done by any other designer that has put and contributed to the footprint of the culture. But once you see all the players and all the input that is coming into making the construction work and getting value for your dollar, then the idea that it has to look like something starts to be tempered and it starts to have other influences. And it's our job as designers, not necessarily on the Cultural Commission, but it's our job as designers to show that there's more to it than just what you remember when you were growing up because there is a fabric to it. There is a respect to it. But we are moving through the 21st century and the only way to bring the culture along is to show that it is compatible with that new perspective and the new history that we're trying to build. And if you can't convince the building committee and you can't convince the public, then there's probably something wrong with the design.

CHAIR HOKAMA: Very good point, Mr. Skowronski. I am just concerned that for our island it's going to pit the old-time residents with the very brand new one especially since a year ago we had a golden egg called Ellison come to Lanai. So I appreciate your very straight-forward comments, Mr. Skowronski. Mr. Carroll, do you have a question for Mr. Skowronski?

COUNCILMEMBER CARROLL: Just a short statement. I can support this application. I think he will bring, be an asset to the committee even though it's for a short time. It's only until next year

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April. If this is his qualifications, if we were considering for the Planning Commission, I think on the Planning Commission he would have generated really interesting, meaningful discussions.

CHAIR HOKAMA: If you're hinting to Mr. Molina --

COUNCILMEMBER CARROLL: But I can support this.

CHAIR HOKAMA: --I'm sure he's listening well. Thank you for that. Is there any other questions?
Ms. Baisa.

COUNCILMEMBER BAISA: Thank you very much, Chair. My question is for Mr. Molina.

CHAIR HOKAMA: Okay. Well, is there, wait. Let me ask, is there anything else anyone would like to ask Mr. Skowronski 'cause I would like him to be comfortable, please? Mr. Skowronski, thank you very much for attending and making yourself available for questions and your responses. I truly appreciate it, on behalf of the Committee, your attendance this morning.

MR. SKOWRONSKI: Okay, mahalo.

CHAIR HOKAMA: Thank you very much, sir. Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair. I am extremely impressed, of course, with the answers we've heard from the applicant and he apparently would be a, you know, a big asset to us in helping to make decisions, but I just want to be comfortable because of the title of this commission. This is the Maui County Cultural Resources Commission.

UNIDENTIFIED SPEAKER: Yes.

COUNCILMEMBER BAISA: The emphasis for me, of course, is on culture. And so I just want to be sure that we have a balance on the commission and that there are sufficient members who come with that background, so that way we can put it together with his engineering background and maybe we'll have a really good, balanced commission. Are you, do we have enough of those, Mr. Molina, on this group?

MR. MOLINA: Yes. We do have, well I don't have the list of members right now, but I know of at least two people that are very involved in the Hawaiian culture. I think one member is Oana Salazar. She's a musician and has been, I guess, very active in the visitor industry. Also a lady by the name of Doreen Kanuha. So you have that Hawaiian, or host culture perspective on there as well as other folks who come from different backgrounds, but I think the one common commonality amongst all the members, they do have an appreciation for the Hawaiian culture and in general the Cultural Resources Commission technically is to respect all cultures.

COUNCILMEMBER BAISA: Correct.

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MR. MOLINA: But in particular, I guess, there is the preference, if you will, because the host culture is here, everyone although of different ethnicities on there do have a passion and love for Hawaiian culture in their own various ways.

COUNCILMEMBER BAISA: Thank you very much. That's very reassuring. That's the only niggling concern I have, because I think that the applicant is certainly well qualified and appears to be a very balanced individual. So that's all, Mr. Chair. Thank you.

MR. MOLINA: And, Mr. Chairman, could I please add one more thing --

CHAIR HOKAMA: Mr. Molina, sure.

MR. MOLINA: --to Councilmember Baisa's question? And with Mr. Skowronski's, you know, talents in the architectural field, combining that with the emphasis on Hawaiian architecture sort of ties in nicely with some of the issues that the Cultural Resources Commission may have. So he certainly brings an interesting perspective as all of you have heard this morning. Thank you, Chairman. Thank you.

CHAIR HOKAMA: Thank you. Any other questions for Mr. Molina, Members? Having none, the Chair is ready to and I am open to a motion to place the name of Francis Skowronski on Exhibit "B" for a term expiring March 31, 2014 on the Maui County Cultural Resources Commission. Mr. Couch?

VICE-CHAIR COUCH: Thank you, Mr. Chair. I move to adopt the resolution entitled Appointment of a Member to the Maui County Cultural Resources Commission and move Francis Skowronski to Exhibit "B".

COUNCILMEMBER BAISA: Second.

CHAIR HOKAMA: I have a motion made by Mr. Couch, seconded by Ms. Baisa. Members, any further discussion? Having none, all in favor of this motion, please say "aye"?

COUNCIL MEMBERS: Aye.

CHAIR HOKAMA: Opposed, say "no"? Motion passes with nine ayes. Thank you very much. And Mr. Skowronski, we will be forwarding the Committee's recommendation to the full Council for final action, so thank you very much for your presence and volunteering to serve the people of Maui.

VOTE: AYES: Chair Hokama, Vice-Chair Couch, and Councilmembers Baisa, Carroll, Cochran, Crivello, Guzman, Victorino, and White.

NOES: None.

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EXC.: **None.**

ABSENT: **None.**

ABSTAIN: **None.**

MOTION CARRIED

ACTION: **Recommending ADOPTION of revised resolution approving the nomination.**

**ITEM PIA-2(15): NOMINATIONS TO BOARDS, COMMITTEES, AND COMMISSIONS
(COUNCIL ON AGING) (CC 13-42)**

CHAIR HOKAMA: Now let us move on. Next, Members, to Item 2(15), also under the heading of Nominations to Boards, Committees, and Commissions. This is regarding specifically the Council on Aging. We are in receipt of a correspondence dated August 23, from Mayor Arakawa, nominating Noel Ching-Johnson to the Council on Aging for a term expiring March 31, 2017, due to a vacancy from a resignation. Mr. Molina, if you would, please?

MR. MOLINA: Thank you, Mr. Chairman and Committee members. The Administration would like to ask for a consideration of Noel Ching-Johnson to be confirmed to the Council on Aging. Earlier this year, the Council did confirm Mr. Ching-Johnson to the Children and Youth Commission; however, that Commission is no longer active and Mr. Ching-Johnson has expressed to us an interest in continuing to serve the community. Many of you know him as Chivo. He is of course very active with *Akaku Television* and for many years on the radio here on Maui County and he's certainly a man of many talents and he has expressed to us that he does have the time to serve and with that being said, again the Administration would like to ask for your consideration of Mr. Ching-Johnson to the Council on Aging. Thank you, Chairman. Thank you, Committee members.

CHAIR HOKAMA: Okay. Thank you very much, Mr. Molina. Maybe for the Committee's understanding better, Mr. Molina, if you could kind of expand on when you mentioned that the current Commission that Mr. Ching-Johnson serves on is inactive?

MR. MOLINA: Yeah. Thank you, Mr. Chairman. It has been brought to my understanding that is a proposal that I believe is forthcoming or if it has not been addressed yet. Again, because of quorum issues and lack of agenda items, that was one of several commissions that the Administration is looking at, you know, I guess reducing to save on County resources. And, you know, we're trying to find some of the members who are currently on there since now they've been, I guess for lack of a better term displaced, we are certainly looking at other boards and commissions or if there are other opportunities out there, we would certainly like to use their

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talents elsewhere since there, I guess, would not be a commission for them to serve on at this time. Thank you, Chairman.

CHAIR HOKAMA: Okay, thank you very much. Mr. Couch, questions for Mr. Molina?

VICE-CHAIR COUCH: Thank you. Thank you, Mr. Chair. Mr. Molina, the “disbanding” of this, the other commission was done as a result of the Cost of Government report?

MR. MOLINA: That is correct. That was one of the recommendations from that commission. So the Administration is taking into consideration their report or findings on that, and historically we’ve looked back over the last couple of years, that particular commission as well as a couple of others were not meeting because of a lack of quorum, lack of agenda items, and maybe there was a lack of enthusiasm from some of the members maybe for various reasons. Maybe employment reasons or possibly just lack of interest so there was this feeling of maybe this may not generate the interest that it once did. I guess when it was formed years ago, there was a lot of interest but as time has gone by for whatever reasons there has been a lack of interest in attending these meetings and maybe possibly as well as lack of agenda items as well.

VICE-CHAIR COUCH: Okay. So that commission hasn’t met in a couple of years you said?

MR. MOLINA: I’m not 100 percent sure but I know they have not been meeting very often. I believe last year they might have met maybe twice during the whole year and it’s just waned over time.

VICE-CHAIR COUCH: Okay.

MR. MOLINA: No meetings.

CHAIR HOKAMA: Mr. Couch, we do have an item in Committee.

VICE-CHAIR COUCH: Right.

CHAIR HOKAMA: And the Chair will post it and we’ll have Mr. Molina and others share information on why the Mayor is making its, his proposal to the Council.

VICE-CHAIR COUCH: Okay. Thank you, Chair. And this, the concern I have is of course having a person on two different committees, but if they’re not really doing anything on the one I don’t see a problem with that.

CHAIR HOKAMA: I stand corrected. It’s not in our, I thought it was in our Committee but I think...so we’ll follow up and give you information, but as I am told now, it is currently not officially in this Committee, but I know that the Mayor has shared some thoughts about it in the past. But we’ll follow up and make sure that Mr. Molina at the appropriate time have the Administration share their points of view.

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VICE-CHAIR COUCH: Thank you.

CHAIR HOKAMA: Ms. Baisa, any questions for Mr. Molina?

COUNCILMEMBER BAISA: No questions but I would like to speak in support of the nomination.

CHAIR HOKAMA: Sure.

COUNCILMEMBER BAISA: Mr. Johnson, when I was on the, this committee, this Council on Aging, Mr. Johnson was a frequent visitor and he was always there taking video of the proceedings. So he's very, very familiar of what's been going on with that commission and I think that because of, now how do I say this nicely? He's not a young guy, okay? He's reached that point in his life where I think he'll be a good contributing member of this commission. You know, it kind of takes a little bit of snow on the roof for you to really understand the problems of the aging. I mean everybody can understand it, you know, there are many aging. Nothing like going through it yourself. I am finding out that aging is not for wimps and Mr. Johnson, I think, will make a wonderful and devoted member. He has a wonderful personality. He gets along really well in a group. And you know, when you're dealing with a bunch of seniors, we tend to be kind of crotchety at times, and so I think the personality of being able to, you know, jump into that and be a contributing member is going to be wonderful, and I'm really excited that he's willing to take this on because he has his hand in a lot of things that he's trying to work on. So I fully support the nomination, Chair. Thank you.

CHAIR HOKAMA: Thank you. I guess we'll just say he's very matured in his service. Mr. White, any comments or questions for Mr. Molina?

COUNCILMEMBER WHITE: I just must respond because I look at Mr. Johnson and I see somebody with a lot of energy, great personality, but I think he's really young and I would have expected that Ms. Baisa would have felt he was young as well. But anyway I fully support his nomination.

COUNCILMEMBER BAISA: Be careful.

CHAIR HOKAMA: Okay, we won't talk about the snows on Haleakala. Mr. Guzman, any questions?

COUNCILMEMBER GUZMAN: No comment, Chair.

CHAIR HOKAMA: Thank you. Mr. Victorino?

COUNCILMEMBER VICTORINO: I think it was well said and I'll call him Chivo because that's how we all know him as Chivo, has been an active member of this community for many, many years, and *Akaku* and what he does there has helped him to keep a good insight in what's going on, so I think this choice is an excellent choice. I think he will serve very well. I don't know about cranky and old and all of the other excuses. I'm not certain yet. I know there are mornings I

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wake up with more pains than I remember. I don't know what that means except I wake up in the morning, I'm thankful I've got another chance at life. Thank you, Mr. Chair.

CHAIR HOKAMA: As long as you're not talking about the Chair, I'm okay.

COUNCILMEMBER VICTORINO: No reference. No references.

CHAIR HOKAMA: Mr. Carroll?

COUNCILMEMBER CARROLL: No questions, thank you.

CHAIR HOKAMA: Thank you. Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you, Chair. I, too, will support Chivo's nomination. However, I have a question for Mr. Molina. I know that Clifford is a Hana resident and represented Hana quite well with inquiries and whatever sort of problems that he felt, you know existed for our aging community in Hana. Will, is there, does it matter if you have the districts represented on this commission?

MR. MOLINA: Mr. Chairman, Council member, you know, that's a good question. To our knowledge, there is no requirement. However, we will certainly, and it's interesting you brought that up because we were looking at come the next mass vacancies, we would like to look at getting people, you know, from the Hana area as well to replace Clifford. But at this particular moment in time, because Chivo also had expressed interest in serving on the Council on Aging as well as the Children and Youth, we felt that it was time to give him an opportunity. And of course his enthusiasm. He had called and expressed an interest in serving on another board, a commission. He called...

COUNCILMEMBER CRIVELLO: I don't question his, what he brings to the table. I, there's no question about approving his nomination from my part. I just was wondering if we'll have the representation from Hana and I guess next round --

MR. MOLINA: Yes.

COUNCILMEMBER CRIVELLO: --if you will consider that.

MR. MOLINA: We'll definitely consider that.

COUNCILMEMBER CRIVELLO: Thank you.

CHAIR HOKAMA: Thank you.

MR. MOLINA: Thank you, Chairman.

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CHAIR HOKAMA: Thank you very much, Ms. Crivello. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And yeah, I think Chivo will be a wonderful, wonderful asset to this particular commission, and it did kind of catch me by surprise for Office on Aging because Chivo's energy and enthusiasm, yeah, I see the snow on the roof, but besides that, I mean I just feel like he is truly, truly young at heart and has a lot of youthfulness to him. So I think he's going to be a wonderful asset. And in regards to Ms. Crivello's, you know, concern about East Maui being represented, all the events that I attend in Hana, and of course Chivo's involved with *Akaku*, he is there. And so he hears the voices of our, you know, communities in our outlying districts, Hana, for the different islands, because he is so active as we all know and through *Akaku* and the lens of the cameras. He's interviewing. He's getting insight of the community and the people's voices there so I really am confident that he does have a very well rounded, you know, take on our community as a whole even though he's, you know, states from Kula but I think he gets out and about and around and we all see his energy spread throughout our County. So I am extremely happy to support Chivo for this position. Thank you, Chair.

CHAIR HOKAMA: Okay, thank you. Did I give you an opportunity, Mr. Couch?

VICE-CHAIR COUCH: To talk to Mr. Molina but not talk about the applicant.

CHAIR HOKAMA: Oh, you can speak after you do the motion for me.

VICE-CHAIR COUCH: Sure.

CHAIR HOKAMA: The Chair will just make one comment on this. I usually don't on the nominees but for Mr. Ching-Johnson, I am looking forward to seeing him on the other side of the lens.

VICE-CHAIR COUCH: Yes.

CHAIR HOKAMA: He's always on the side that, you know, looks at others and so it's going to be interesting to have others look at him. So I think it's a great opportunity for a man that would like to give service and all I can say is you'd rather have snow than no snow on your head. Saying that, the Chair is happy to entertain a motion to place the name of Noel Ching-Johnson, or also known as Chivo Ching-Johnson, to the Council on Aging for a term expiring March 31, 2017 on Exhibit "B". Mr. Couch?

VICE-CHAIR COUCH: Thank you, Mr. Chair. I move to adopt the resolution Appointment of a Member to the Council on Aging by placing Noel Ching-Johnson's name on Exhibit "B".

COUNCILMEMBER BAISA: Second the motion, Chair.

CHAIR HOKAMA: Thank you. I have a motion by Mr. Couch, seconded by Ms. Baisa. Any further discussion, Members? Mr. Couch?

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VICE-CHAIR COUCH: Thank you, Mr. Chair, and just to echo pretty much what everybody else says. I've worked with Chivo since almost day one. He and I were part of the four, gang of four that came in here and videotaped Council meetings way before we had all these fancy cameras, so I've worked with him, had the pleasure of knowing him for over 20 years and really support this nomination. Thank you.

CHAIR HOKAMA: Thank you. Further discussion, Members? Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. I also would like to support this nomination. I've known Chivo for a short period of time and I find him to be very intellectual. He knows a lot of insights and I wish he was on more commissions. That's all I have to say and I fully support this nomination, thank you.

CHAIR HOKAMA: Thank you. Anyone else? Having none, all in favor of the motion, please say "aye"?

COUNCIL MEMBERS: Aye.

CHAIR HOKAMA: Opposed, say "no"? Motion passes with nine ayes. Thank you very much, Members.

VOTE: AYES: Chair Hokama, Vice-Chair Couch, and Councilmembers Baisa, Carroll, Cochran, Crivello, Guzman, Victorino, and White.

NOES: None.

EXC.: None.

ABSENT: None.

ABSTAIN: None.

MOTION CARRIED

ACTION: Recommending ADOPTION of revised resolution approving the nomination.

ITEM PIA-1(27): LITIGATION MATTERS (SETTLEMENT AUTHORIZATION: CLAIM OF VINCENT PASSETTI AND MICHELLE PASSETTI; CLAIM 2013-1056-10) (CC 13-41)

CHAIR HOKAMA: If we can please move on to Policy Item-1(27). This is one of a few litigation issues that we are taking up today. This is under the heading of Litigation Matters, Settlement

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Authorization: Claim of Vincent Passetti and Michelle Passetti; Claim No. 2013-1056-10. We shall give Corporation Counsel a moment to get the appropriate attorney that is dealing with this item to come forward. Okay this morning, Members, we have for this specific item Ms. Lutey, the specific deputy that is going to be presenting this to you and also we have Captain Tivoli Faaumu from the Police Department that will be assisting us should you have questions regarding this specific item. Please know that this is a settlement authorization and if need be and appropriate we shall enter executive session as provided by State law. At this time, we'll ask Ms. Lutey to please give us comments in open session.

MS. LUTEY: Thank you. Good morning. I actually think this is something we can handle in open session this morning.

CHAIR HOKAMA: Okay.

MS. LUTEY: Basically, the facts are that on May 3rd of this year, the Passettis' Honda was struck by a patrol vehicle and pushed into their truck that was parked in their driveway. Both vehicles were damaged. The Honda was declared a total loss because the cost of repair exceeded the value of it. The value of the Honda was determined to be \$6,204.12. The cost of repair for the truck estimated as \$1,272.27. So the total replacement repair cost at this point is \$7,476.39. However, I am requesting an additional \$350 to cover car rental expenses during the repair to the truck and to cover the cost of any repairs that were not seen during the time that the estimate was given. So I am asking for a total settlement authority in the amount of \$7,826.39.

CHAIR HOKAMA: Thank you, Ms. Lutey. Before I ask the Committee for any questions regarding this request, the proposed resolution, Captain, is there any comments that you wish to share with the Committee at this time?

MR. FAAUMU: No, Mr. Chairman.

CHAIR HOKAMA: Okay, thank you very much. Members, the Captain is available should you have questions specific to this item. Mr. Couch?

VICE-CHAIR COUCH: Thank you, Mr. Chair. And I guess to the Captain or Ms. Lutey, whoever would be more knowledgeable in this instance. I'm a little concerned about, there were, according to the report turned in for the claim, there was apparently four officers there that basically didn't help after the accident happened, help them get their vehicles going. Is that a liability issue why they wouldn't do that or is that just something?

CHAIR HOKAMA: Ms. Lutey?

MS. LUTEY: Actually, in that type of situation, if they had requested like a tow assistance or something, we would have done that, but to un-pry them it would be not something that we train them to do. It would have been difficult for them to do it and potentially a liability problem.

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VICE-CHAIR COUCH: Okay. I kind of figured that, you know, the more, especially after an incident like that, the more courtesy or goodwill or something that we can do, not necessarily doing it but saying, you know, we'd like to help you but liabilities, et cetera, whatever, just to get up and go, it appears that they just got up and left. I don't know. I don't know how you can train that. I'm not sure.

MS. LUTEY: Yeah, we would...

VICE-CHAIR COUCH: And that's just a concern.

MS. LUTEY: We would have called a tow if they had asked for a tow.

CHAIR HOKAMA: Any further questions, Mr. Couch? Ms. Baisa?

COUNCILMEMBER BAISA: Yeah. Are the cars that were, I understand there were two vehicles. The Passettis have two cars?

MS. LUTEY: Yes.

COUNCILMEMBER BAISA: So we're only talking about repairing her car?

MS. LUTEY: We're, the Honda was totaled.

COUNCILMEMBER BAISA: Yeah.

MS. LUTEY: That's the car that was on the street but it hit the truck.

COUNCILMEMBER BAISA: Right.

MS. LUTEY: And so the truck is going to be repaired.

COUNCILMEMBER BAISA: So we have, so the estimate we have in here is only, is for a GMC pickup?

MS. LUTEY: Right. That's the \$1,272.

COUNCILMEMBER BAISA: Right, and how much for her then?

MS. LUTEY: The replacement of the truck, of the Honda, excuse me, is \$6,204.12.

COUNCILMEMBER BAISA: It's a replacement?

MS. LUTEY: Yes.

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COUNCILMEMBER BAISA: So you're going to fix the truck and replace the Honda?

MS. LUTEY: We're giving her the value of the Honda. The repair of the Honda was 8,000 some odd, close to \$9,000 but because the value is 6,000, we're going to give her the cash instead.

COUNCILMEMBER BAISA: And, Chair, I think this is going where I don't really wanna go in open session. I'm sorry, but I have more questions but I don't think it's appropriate at this, in here. Thank you.

CHAIR HOKAMA: The Chair will take that under advisement and the Chair will make his recommendations to Committee, but as much as possible at this point in time, or as much as we can do in open session, the Chair would prefer that since that was part of the comments from Deputy Corporation Counsel. Mr. White, questions?

COUNCILMEMBER WHITE: I have no questions.

CHAIR HOKAMA: Mr. Guzman?

COUNCILMEMBER GUZMAN: No questions at this time. Thank you.

CHAIR HOKAMA: Mr. Victorino?

COUNCILMEMBER VICTORINO: Thank you, and thank you, Ms. Lutey. Just so that the public has a better understanding. When you're talking value versus repair, it is standard practice in the insurance industry, if I'm correct, not that I'm an expert, but if I'm correct, that you will get the lesser of the two, whatever the repair or the actual cash value or the Blue Book, Kelley Blue Book value of the vehicle will be what the insurance company and any other entity would offer you?

MS. LUTEY: Right.

COUNCILMEMBER VICTORINO: Am I correct?

MS. LUTEY: That's correct.

COUNCILMEMBER VICTORINO: And so to dispel some concerns, that is a common practice. This is not unusual. There is no litigation involved and most insurance, not most, all insurance companies will give you that option and they at their, and they have the right to make the final decision, am I not correct in saying that?

MS. LUTEY: That's correct.

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COUNCILMEMBER VICTORINO: So, when you have something of this nature, just so the public to understand, your insurance company actually has the right to decide to pay you off or to repair the vehicle, whichever is less?

MS. LUTEY: That's correct.

COUNCILMEMBER VICTORINO: Thank you very much for that clarification so that my colleagues will have a better understanding of what this means.

MS. LUTEY: I appreciate that.

COUNCILMEMBER VICTORINO: Thank you.

CHAIR HOKAMA: Okay, thank you, Mr. Victorino. Mr. Carroll, questions?

COUNCILMEMBER CARROLL: Chair's recommendation.

CHAIR HOKAMA: I'll give it at an appropriate time. Ms. Crivello?

COUNCILMEMBER CRIVELLO: None.

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: No questions at this time, Chair.

CHAIR HOKAMA: Mr. Couch, any further questions?

VICE-CHAIR COUCH: Not at this time. Possibly in executive if we go.

CHAIR HOKAMA: Okay, can you tell us, was the County vehicle also totaled in the accident?

MS. LUTEY: The vehicle was repaired. It was not totaled.

CHAIR HOKAMA: Okay, are you able to speak in open session about the disposition of the employee?

MS. LUTEY: I can't.

CHAIR HOKAMA: Okay, then the Chair will recommend executive session to review the item of this matter, under Section 92-5(a)(4) Hawaii Revised Statutes to consult with legal counsel on questions, issues pertaining to the powers, duties, privileges, immunities, and liabilities of the County, the Council, and this Committee. Mr. Couch?

VICE-CHAIR COUCH: Thank you, Mr. Chair. I move that we go into executive session under HRS 92-5(a)(4).

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COUNCILMEMBER BAISA: I second the motion.

CHAIR HOKAMA: We have a motion to enter into executive session made by Mr. Couch, seconded by Ms. Baisa. Any discussion, Members? All in favor of the motion, please say “aye”?

COUNCIL MEMBERS: Aye.

CHAIR HOKAMA: Opposed, say “no”? Motion is carried with nine ayes.

VOTE: AYES: Chair Hokama, Vice-Chair Couch, and Councilmembers Baisa, Carroll, Cochran, Crivello, Guzman, Victorino, and White.

NOES: None.

EXC.: None.

ABSENT: None.

ABSTAIN: None.

MOTION CARRIED

ACTION: APPROVE; RECESS open meeting and CONVENE executive meeting.

ITEM PIA-1(28): LITIGATION MATTERS (SETTLEMENT AUTHORIZATION: TAATAAI IOANE V. COUNTY OF MAUI; CASE 07-08-00877) (CC 13-41)

CHAIR HOKAMA: Before we take into account a recess to enter into executive session, the Chair would like to take up Policy Item 1(28), also under Litigation Matters. This is also a Settlement Authorization: Taataai Ionae--and if I am pronouncing it correctly, I apologize if it's mispronounced--Versus County of Maui; Case No. 07-08-00877. This is a correspondence dated September 5th, this year, from Corporation Counsel, with a proposed resolution entitled Authorizing Settlement. Today we have, who do we have as our Corporation Counsel if you would identify yourself please, sir?

MR. ROWE: I am Caleb Rowe, Deputy Corporation Counsel.

CHAIR HOKAMA: Okay, and with you is?

MS. TODA: Lydia Toda, Risk Manager.

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CHAIR HOKAMA: Okay, thank you very much for your presence. If you would, please, Deputy, give us your opening comments in open session regarding this.

MR: ROWE: Mr. Ioane was employed as a carpenter for the Department of Water Supply. He injured his knee in the scope and course of his employment. We did accept liability on this claim and we are seeking to get a settlement with a wash included. Since this matter still is in litigation and because it involves medical records, I would suggest that this be done in executive session.

CHAIR HOKAMA: Okay, thank you very much. Do you have any opening comments you would like to share with the Committee from your perspective?

MS. TODA: No, thank you, Chair.

CHAIR HOKAMA: Okay, thank you very much. We have heard the request of Deputy Corporation Counsel to enter into executive session regarding this litigation item. So as allowed by Hawaii Revised Statutes, Section 92-5(a)(4) and 92-5(a)(8), where the Committee is allowed to go into executive session regarding the, to consult with legal counsel as well as to deliberate and make a decision that requires consideration of information that must be kept confidential pursuant to State or Federal law or a court order. Mr. Couch?

VICE-CHAIR COUCH: Thank you, Mr. Chair. I move that we go into executive session pursuant to HRS 92-5(a)(4) and 92-5(a)(8).

COUNCILMEMBER BAISA: Seconded.

CHAIR HOKAMA: I have a motion by Mr. Couch, seconded by Ms. Baisa to enter into executive session. Discussion, Members? Having none, all in favor of the motion, please say "aye"?

COUNCIL MEMBERS: Aye.

CHAIR HOKAMA: Opposed, say "no"? Motion passes with nine ayes.

VOTE: AYES: Chair Hokama, Vice-Chair Couch, and Councilmembers Baisa, Carroll, Cochran, Crivello, Guzman, Victorino, and White.

NOES: None.

EXC.: None.

ABSENT: None.

ABSTAIN: None.

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MOTION CARRIED

ACTION: APPROVE; RECESS open meeting and CONVENE executive meeting.

CHAIR HOKAMA: We shall enter into recess and prepare for executive session as well as allow the Members to take care of their personal requirements. This Committee is in recess. . . (gavel). . .

RECESS: 10:11 a.m.

RECONVENE: 11:58 a.m.

CHAIR HOKAMA: . . . (gavel). . . Policy Committee shall return to open session. This is the 25th of September, 2013.

ITEM PIA-1(27): LITIGATION MATTERS (SETTLEMENT AUTHORIZATION: CLAIM OF VINCENT PASSETTI AND MICHELLE PASSETTI; CLAIM 2013-1056-10) (CC 13-41)

CHAIR HOKAMA: Members, may I direct you please to Policy Item 1(27) under Litigation Matters. This is the Settlement Authorization regarding the Claim of Vincent Passetti and Michelle Passetti; on Claim No. 2013-1056-10. It is your Chair's recommendation, and I'm open to a motion, to recommend to Council a passage of a proposed resolution entitled Authorizing Settlement of Claim No. 2013-1056-10 of Vincent Passetti and Michelle Passetti. Mr. Couch?

VICE-CHAIR COUCH: Thank you, Mr. Chair. I move to adopt the proposed resolution Authorizing Settlement of Claim No. 2013-1056-10 of Vincent Passetti and Michelle Passetti.

COUNCILMEMBER VICTORINO: Mr. Chair, I second the motion.

CHAIR HOKAMA: Thank you. I have a motion by Mr. Couch, seconded by Mr. Victorino. Is there any further discussion, Members, regarding this proposed resolution? Having none, all in favor of the motion, please say "aye"?

COUNCIL MEMBERS: Aye.

CHAIR HOKAMA: Opposed, say "no"? Motion passes with nine ayes.

VOTE: AYES: Chair Hokama, Vice-Chair Couch, and Councilmembers Baisa, Carroll, Cochran, Crivello, Guzman, Victorino, and White.

NOES: None.

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EXC.: None.

ABSENT: None.

ABSTAIN: None.

MOTION CARRIED

ACTION: Recommending **ADOPTION** of resolution.

ITEM PIA-1(28): LITIGATION MATTERS (SETTLEMENT AUTHORIZATION: TAATAAI IOANE V. COUNTY OF MAUI; CASE 07-08-00877) (CC 13-41)

CHAIR HOKAMA: May we now move to Policy Item 1(28) under Litigation Matters. This is a settlement authorization request of Taataai Ioane versus County of Maui; Case No. 07-08-00877. It is your Chair's recommendation that we move forward the proposed resolution within the terms and understanding of executive session. Mr. Couch?

VICE-CHAIR COUCH: So moved, Mr. Chair.

COUNCILMEMBER BAISA: Second.

CHAIR HOKAMA: I have a motion made by Mr. Couch, seconded by Ms. Baisa. Is there any further discussion on the motion, Members? Having none, all in favor of the motion, please say "aye"?

COUNCIL MEMBERS: Aye.

CHAIR HOKAMA: Opposed, say "no"? Motion passes with nine ayes. Thank you, Members.

VOTE: AYES: Chair Hokama, Vice-Chair Couch, and Councilmembers Baisa, Carroll, Cochran, Crivello, Guzman, Victorino, and White.

NOES: None.

EXC.: None.

ABSENT: None.

ABSTAIN: None.

MOTION CARRIED

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ACTION: Recommending ADOPTION of resolution.

ITEM PIA-41: COUNCIL INVESTIGATION OF OLD WAILUKU POST OFFICE (MISC, MISC)

CHAIR HOKAMA: May I please direct you to the last item of the agenda for today. It is Policy Item 41 under the Council, under the heading of Council Investigation of the Old Wailuku Post Office. We are in receipt of a correspondence dated September 6, 2013, from the County Auditor, Mr. Lance Taguchi, informing the Committee regarding the Office of the County Auditor and the performance, regarding the performance of a financial performance audit of the Old Wailuku Post Office. At this time, Mr. Taguchi has made himself available to the Committee, and I would request that Mr. Taguchi please come forward and join the Committee so that he may share comments with you as well as answer any questions that you may have for him regarding this specific matter. And again, Mr. Taguchi, if you want and bring one of your staff members that is also fine with the Committee and the Chair. Members, you do know that the Charter got ratified with the adoption of a County Auditor as prescribed by the articles in the Charter, and Council did make the appointment of Mr. Taguchi not too long ago. And so at this time, I'll ask Mr. Taguchi if he can give us some comment and let us know where he is within the performance of being the County Auditor. Mr. Taguchi?

MR. TAGUCHI: Thank you, Chair Hokama. Lance Taguchi, County Auditor. I am here to answer any questions regarding my response to the Council dated I believe September 6th. I don't have any prepared comments. I am here to answer any questions.

CHAIR HOKAMA: Let me start off then. Maybe, Mr. Auditor, if you could give the Committee a current status of where you are within getting your office set up and operational to perform the duties as prescribed by the Charter?

MR. TAGUCHI: Chair Hokama, since taking office, I have established an office in the Wells Professional Building. I have, our office just recently got telephones, the Voice over IP telephones from the County. I, the office has hired one senior auditor. His name is Scott Kaneshina and he has just joined the office effective this past Monday. In regards to, we're still in the process of getting all the furniture and equipment that we need. We will be visiting the City Auditor in turn, to review their audit programs and various other personnel manuals, things like that so we can move forward with establishing those things for the Office of the County Auditor.

CHAIR HOKAMA: Okay, the Chair in going home back to the island of Lanai during weekends and of course being stopped at various establishments on this island did note that to the Chair, at least, that they thought it was more appropriate that you as the auditor perform an audit for the Committee's review instead of the Committee do an audit under our direction and, I guess, parameters that we would set. So sharing that with you, Mr. Auditor, Mr. Taguchi, what do you see is a reasonable timetable, the best you can, and we won't hold you to a specific date, but what would be in your understanding of at what, how many months or weeks do you feel that it

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may take for you to become a fully functional office and that the subject of this review may be undertaken by your, by you and your staff or by you and a third-party contractor?

MR. TAGUCHI: Thank you, Chair Hokama. When I responded to the request from this Committee, and just for a little bit of background here, basically I responded that I was unable to commit to such an audit and a timeline to complete such an audit back in September. A lot of it has to do with the fact that I am establishing the office. The office is a newly established office. The guidelines for the operations of the office is not clearly defined in the Charter. It is a work in progress and I am working through the process with the help of my Deputy Corporation Counsel. A lot of things we are discussing in terms of the authority of the auditor in terms of hiring people and various other things. There also is a lot of organizational work, personnel manuals. In addition, you know, I need to establish auditing standards as well as establish an audit program so I can do, you know, so I can do a proper job on any of the audits that I undertake. I am hesitant to take on any audit until I can establish these things because to establish confidence in the audit results, I must follow some standards. The Charter did not establish the standards for me, you know, it's a work in progress. Saying that, though, I understand the situation that this Committee is in and after, you know, after evaluating the current position of my office in terms of getting established, I feel comfortable in giving you a timeline. Basically by early January, the Office of the County Auditor will transmit a plan of audits to be initiated in the Fiscal Year 2014 to the Mayor and to the Council for review and comment. So I feel comfortable enough that I can gather enough information, give time for people to provide input to me regarding, my office rather, regarding concerns about County government and move forward with a plan of audits to be transmitted. The Charter provides that a plan of audits be submitted prior to every fiscal year. However, in this first year when the office was established, there is no requirement for a plan of audits, but I thought that it is best for the office to establish such plans in early January, at least by early January. So at the latest, you would get a plan of audits to be done in, a plan of audits to be initiated within Fiscal Year 2014.

CHAIR HOKAMA: Okay. I will open up to the Committee and I'll start from the other side now. Mr. Victorino, do you have a question for Mr. Taguchi, County Auditor?

COUNCILMEMBER VICTORINO: Thank you, Chair, and, you know, I know, Mr. Taguchi, you're tasked with a real daunting challenge, because you're starting from scratch trying to find, pardon the expression, find your way through the forest right now. When do you anticipate, and you, this would be your best estimate, that you could be operationally prepared to take on many of the duties that maybe we and others will be calling upon you? What's your best estimate timeframe wise being that you'd get everything you would need, you know, let's say the Council and would agree with whatever positions you would ask for, you know, the optimum timeframe?

MR. TAGUCHI: It's very difficult to determine that.

COUNCILMEMBER VICTORINO: Okay.

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MR. TAGUCHI: And I'll give you an example. I went out for recruitment for two senior auditor positions. I was able to fill one. The other candidate that was offered the position declined. The alternate candidate declined on another position. There is a limited amount of people with this type of background or audit knowledge, yeah, so it's, you know, that being said, I will get someone and if I need to train that person, I'll train that person. So I'm not going to say that that is something that is a hurdle that I cannot overcome. Anything can be overcome with time. It's just a matter of I understand the urgency for this matter, but at the same token, I must be able to do a credible job in the audit; otherwise, I'm not really helping anyone come to some kind of conclusion on this issues. So that's really what I'm looking at. In regards, just to let you know, there are other responsibilities that have to be considered because there are some Charter, there's a Charter-mandated responsibility for my office and I need to procure the Fiscal 2014 audit by December 31, 2013 and that is a Charter-mandated requirement. So that's just one of the responsibilities that I have to do in addition to any type of performance audits.

COUNCILMEMBER VICTORINO: Well, thank you, Mr. Taguchi and Chair. I'm thankful Mr. Taguchi is very frank, you know, in giving us his candid answer. It is our hope that, you know, we can provide whatever logistical and financial support that you need for your undertaking. I think that's our, you know, something we can, you know, bring forward, and our Budget and Finance Chair will probably be the one that would be asked to, but we need this done. I think it was voted by the voters overwhelmingly. I think they expect it to be done. Now, obviously, they have to understand there are dynamics and demographics and other issues that until met, you're not going to do a good job. I think that's very important. You are the type of person who wants to do a credible job so I can understand and thank you for even the consideration, you know. We had hoped that you were prepared to do this but understanding what you're going through at this point in time, Mr. Chair, I can concur and wish you nothing but continued success, Mr. Taguchi. And may I make one small point, stop stealing our people. Thank you very much. That's all I have to say about that. Thank you, Chair.

CHAIR HOKAMA: Thank you, Mr. Victorino. I would say the rainbow in your comment though validates the quality of employees that work for the Legislative Branch and the Office of Council Services. This is the type of quality employees we have. Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. Mr. Taguchi, I wanted to get some clarification. You mention that your timeline starting in January of 2014, you're going to put together a plan of audits. That's correct?

MR. TAGUCHI: That's correct.

COUNCILMEMBER GUZMAN: And so I was unclear as to whether there was a commitment on the table that you were going to consider doing this audit in regards to the post office. Will that be, I didn't get a clear answer as to whether that particular item would be on the plan of audits. It was kind of left open ended and I don't want to offend you. I'm not asking, I'm not demanding of you to put it on there. I'm just trying to get some clarification on whether it would be on the plan of audits.

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MR. TAGUCHI: Thank you, Member Guzman.

COUNCILMEMBER GUZMAN: Thank you.

MR. TAGUCHI: I think it's best that I clarify that. The audit of the post office and the related items that has been presented to me through this Committee, you know, I am seriously considering it at this point in time. It's difficult for me to, or for my office to commit to include any audit at this point only because the office needs to get input from the public, the Administration, employees, in terms of all the concerns regarding the County. Once I have time to look at that and the Council as well, regardless of whether it's this item or other items, then I can take a look at the breadth of the different possible audits and make a decision as to which audits I should engage and do first. I do realize the matters before this Committee regarding this item is very serious, you know, and it will weigh heavily in any decision I make to include an audit on the plan of audits, which would be transmitted no later than the beginning of January. If I am able to garner that information, or get that input, if I'm able to get the staff trained and get the staff on board that I need, you know, I would expedite the transmission of that plan of audits. But at this point, it's difficult for me to commit to something because by committing to an audit, I guess I diminish the office's capacity to do other types of audits. And in the first year of operation, you know, it's, we have limited resources both in staff and, I guess, staff as well as supplies, my ability to hire consultants if necessary if there are specialty items. Like for example if I need outside counsel, if I need some technical expertise on a matter, you know, I only have x amount of money. I'm going to have to come back to the Council for additional funds if it ends up that an audit requires those things but, you know, I do understand the importance of the issue and your need to have some kind of commitment so you can determine what you want to do in your Committee, you know, and I appreciate that. But unfortunately I'm just not comfortable committing to such an audit at this point until I get that input from the Administration and from the employees and from the public. I haven't had the time to try and get all that input, so to speak. I am definitely going to expedite the best I can, yeah, and like I said, early January would be the outside date that you'd get the plan of audit and you would, you know, know whether this would be audited.

CHAIR HOKAMA: Mr. Guzman?

COUNCILMEMBER GUZMAN: You know, Chair, it just, it's an indefinite answer so we would be waiting for something that could or could not happen, and I wanted more of...

CHAIR HOKAMA: I understand.

COUNCILMEMBER GUZMAN: Yeah. Okay.

CHAIR HOKAMA: The Chair will give his comments after everyone --

COUNCILMEMBER GUZMAN: Thank you.

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CHAIR HOKAMA: --has their opportunity. Mr. White?

COUNCILMEMBER WHITE: Thank you, Chair. Mr. Taguchi, could you give us an idea of whether hiring a third-party auditor through your office is an option or whether that...because I agree with Mr. Guzman. If the answer as to whether you're going to take it on is not going to be forthcoming until January, I think the Committee needs to have an idea of what our options are. If you don't have the time to do it yourself, is it possible for you to pass it on to a third party or should the Committee look at approaching it some other way?

MR. TAGUCHI: There is a possibility I can utilize a third-party auditor. Unfortunate, and, you know, I haven't investigated fully how the audit would be conducted on this matter, but I can see some difficulties when utilizing a third-party auditor in terms of if there is a need to subpoena people, for example. I'm not, I haven't explored the subpoena power of the Office of the Auditor as it relates to third-party auditors. So I'm not quite sure. I mean, unless Corporation Counsel here is ready to, you know, provide some information on that. And it also goes towards how difficult the audit may or may not be. I don't, without proceeding with the audit or looking deeply into it and doing some preliminary work, I don't know how forthcoming information will become and then if it's not then, you know, I have to make allowances for it and plan on doing things in a different manner, you know. Ideally, I would hope that this audit would be like any other audit where there will be cooperation. You just, you know, Administration will cooperate with the auditor to get documents and things like that, but I just don't know without contacting the Administration and going further into this to give you a definitive answer. But I guess, what I'm, the bottom line is I haven't looked at using third-party auditors for this instance. I can take a look at it and get back to you, but I do have some concerns in how effective that's going to be especially if information is not forthcoming.

COUNCILMEMBER WHITE: Okay. Chairman, if you don't mind me asking Corp. Counsel to give us their thoughts on whether the ability to subpoena extends to a third-party auditor. I would assume that would apply to a third-party auditor hired by, hired through the auditor's office or someone that we contracted directly. I, Corp. Counsel?

CHAIR HOKAMA: Mr. Kushi, are you prepared to give a response at this time?

MR. KUSHI: Mr. Chair, I'll take a crack at it and it's subject to any further research that may negate what I'm going to tell you, but from what I understand is that, you know, subpoena powers are statutory in nature. The courts have it and boards and commissions and this body has it through a statute. The Charter, being above a statute, which is like your constitution, gives the auditor, delegates the auditor the power to subpoena. I don't think you can assign that delegation to a third party ...*(inaudible)*... through a third-party contract. But if you had, if he were to conduct the investigation himself then he has that power through the Charter.

COUNCILMEMBER WHITE: Then if we were to engage a separate auditor directly, do our powers of subpoena transfer to that auditor that is working on our behalf or would they have to come back to us for subpoena?

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MR. KUSHI: We would advise that the issuing body take the reins and do the subpoenas not the third-party contractor, who is a nongovernment entity.

COUNCILMEMBER WHITE: Yeah, that makes sense. Thank you, Chair.

CHAIR HOKAMA: Okay, thank you very much. Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Mr. Chair. For me, I think we're going where we had hoped we wouldn't go and one of the problems is time. You know if...Mr. Taguchi has been very clear about the fact that on January deadline, even though he were to want to do that, it is very difficult because of what he's caught up in the setup and all of the standards and things that he wants to do. And while he doesn't come out and say definitely no, I mean I can read between the lines and, you know, we're hoping that we wanna get something going and we wanna get this matter put away. I mean already it's been dragging for over six months and we'd like to close the year and start new. So, I'm thinking we need to look at another alternative and I'm not sure what that is, but I know you, Chair, and I'm sure you have a recommendation. So I'm going to sit back and wait 'til I hear that. Thank you.

CHAIR HOKAMA: Thank you. Mr. Couch?

VICE-CHAIR COUCH: Thank you. I agree with Ms. Baisa. I'll be anxious to hear your recommendation. I do have a question for Mr. Taguchi though. What, if we were to hire a third party, either you or the Council would hire a third-party auditor, generally what does that cost? Do you have a ballpark figure what that might cost?

MR. TAGUCHI: I, it's, to me it is very difficult to do an estimate on this type of audit only because it really depends upon the cooperation of the auditee. Anytime an auditee does not cooperate, it's going to start to get expensive and, but, you know, I wanna be clear that there's a good possibility that the auditee would cooperate. In fact, I kind of expect that they will, but in terms of looking at it from a cost perspective, I think I have procured audits as the Budget Analyst for the Office of Council Services. They range quite a different, quite a bit. I think if you looked at the audit on the Maui Economic Concerns of the Community, I thought that ranged around 80,000 or somewhere in that neighborhood. An audit such as this I think is going to be higher because a lot of the auditing firms, your CPA firms or external auditors, they hesitate to do this types of audits because of the fact that it is a County agency, and when they perform audits, they like to look for specific, for example, best practices or something specific that they can audit. In this case, I think there are a lot of issues that would require some objectivity or, you know, it's not going to be clear cut. So I would expect that this type of audit is going to run you 80 to 100 thousand, but that's just a total guess on my part. I'm just trying to base it back on...I don't think it's as big as a departmental audit like when we did the audit on the Planning Department, but I think it would be similar to like your MECC audit is my guess.

VICE-CHAIR COUCH: Okay. Thank you, Chair.

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CHAIR HOKAMA: Thank you. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And kind of have the same sentiments with Mr. Guzman and Mr. White in regards to is it a yes or a no, but I understand the newly created, you know, department and trying to, you know, get on your feet and all that so I understand the sort of indecision at this point, which is, you know, it's called for. So just waiting to see how this is going to roll out, and I think, you know, I stand behind that we need more answers to the questions that have been risen, that have come up and concerns be addressed and what have you. So just, Chair, thank you for, you know, putting this on the docket and seeing where we can go from here. But just, it's kind of where I'm at so let's see how it rolls out. Thank you, Chair.

CHAIR HOKAMA: Thank you. Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you, Chair. Thank you, Mr. Taguchi, for being here. I guess we cannot get anything obviously definitive from you as to what's timely, because you have, from what I understand or what I'm hearing is that you have to set up your standards coming from your office. You don't have your employees in place and that will not maybe be settled until January of 2014. Okay. So, say you have all of your people in place, all of your standard policies or performance or even a mission set up as to what the full purpose in your team's efforts, then what sort of timeframe can you look at or give us some sort of timeframe after everything is settled with your operations?

MR. TAGUCHI: Well, the early January date would be the outside date or the latest date that I plan to transmit a plan of audits to be initiated in Fiscal 2014 to you. I don't think I can answer how long such an audit would take once initiated, because it really is going to depend up on the investigation and what is found. It could be very quick. However, if there is, if the investigation leads towards more research and then it's going to take a lot longer. But I feel comfortable to say that I will submit a plan of audits. And I guess I should explain a little bit more. In the period, the reason why I chose the January date is because as you know, I think I explained that we're, my office is required by the Charter to procure a Fiscal 2014 audit. In addition to that, the Charter mandates that I take over the current audits, the past, I mean the audits that were in progress from the Office of Council Services. One of that, the audit that was in progress is the audit of the Fiscal 2013 Consolidated Annual Financial Statements of the County. I have been in touch, or I have been in contact with the external auditors, which is I think, let me get their name because it's quite a long name, KDL...or well, I have their, Kobayashi, Kanetoku, Doi, Lum & Yasuda CPAs, sorry, and they have expressed some concerns to me. So the administration of the contract for the Fiscal Year 2013 audit may become a little more daunting. They have expressed concerns to me on several occasions regarding some of the personnel changes within the Department of Finance and the ability for the Department of Finance to pull together the CAFR information and the accuracy of the information. That being said, you know, they have discussed this with the Department of Finance, and the Department of Finance has made, you know, has a plan of action, which they are undertaking to try and address, yeah, some of the, to address that problem. However, there are still some concerns, and from the last communication that I had

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with the auditors, a lot more would be to get a better understanding of how far along the Finance Department is in their efforts, I think the two critical dates that they told me about was September 30 is when the deadline is for all fund reports. So the Finance Department has a deadline of September 30 to present the reports to the auditor so that they can proceed with the audit. The other important date is, I believe, October 31st when the Special Fund reports and financial information will be presented to the auditor for auditing. Right now, I believe they're a little behind on their schedules, but the auditors will get a better idea of where the Finance Department is on those two critical dates, and that's part of the reasoning that I came up with an outside date of early January to present a plan of audits, because at least I would have a better understanding of where the CAFR 2013 audit is.

COUNCILMEMBER CRIVELLO: Chair?

CHAIR HOKAMA: Yes.

COUNCILMEMBER CRIVELLO: Can I?

CHAIR HOKAMA: Please.

COUNCILMEMBER CRIVELLO: So, when you say plan of audit or your audit plan, does this include the request that's coming from this Committee?

MR. TAGUCHI: Yes. I mean...

COUNCILMEMBER CRIVELLO: Or is it...

MR. TAGUCHI: I am always open to input from Council, Administration, general public, and I've received the communication from this Committee so I understand how serious this matter is and how much that, you know, the Council wants this matter resolved. And I also, you know, I haven't really spoken to the Mayor or the Administration but I would believe that they want this matter resolved too.

COUNCILMEMBER CRIVELLO: Yes. Yeah.

MR. TAGUCHI: So, you know, it is high on my priority list. I just feel uncomfortable to say yes, I'm going to do it and then I find that I have a whole lot of other problems that are just as important as, you know, this situation, or this performance audit.

COUNCILMEMBER CRIVELLO: I guess for our purpose as policymakers, you know, that purpose of the audit is so that we can make our decisions accurately and objectively upon recommendation from an auditor or the auditor, or your department or your office. And I hear January you submit the plan but I'm not hearing yes, I can do this and I may not be able to do it exactly in January until I find out what my full auditing plan is. Is that, am I understanding it that way?

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MR. TAGUCHI: Yes. I don't feel comfortable today telling you that I will do this audit.

COUNCILMEMBER CRIVELLO: Okay. That's what I wanted to hear.

MR. TAGUCHI: Yes.

CHAIR HOKAMA: Okay, thank you. Mr. Carroll, questions?

COUNCILMEMBER CARROLL: The concerns I had concerning the two resolutions before us have been answered, thank you.

CHAIR HOKAMA: Thank you, Mr. Carroll. Any further questions for Mr. Taguchi at this time from any Member? The Chair, in his brief discussions with the auditor, Mr. Taguchi, totally understands the situation with the establishment of the office. I'm also very much aware as another past Budget Chair, the Charter requirements that Mr. Taguchi is required to deal with currently, including the CAFR, the year round external review and already being made aware from the external auditors of some areas that is of concern and needs to be addressed. But the Chair will say this that it is my belief we could move forward with an independent consideration, but we would still need to set up the same standards and parameters that I believe Mr. Taguchi needs to do also. And for the Chair, part of stating that is because I would like, with whoever finally does it, and hopefully it's Mr. Taguchi, that the audit is done so that it is one complete, takes the appropriate time that the clock, you know, while time is critical, time, to me, also needs to be viewed in that what we expect from the audit is a complete, thorough review, allow the auditee the appropriate time to review the draft as well as give comments, and that whatever is the final report, with that whatever is the final report, that one, the auditor, whoever submits it back to the Committee or the Council, can one, verify the information, two, stand by that information, and third, defend the findings and recommendations of the audit. That is what I think the people of this County looks forward to from the audit review. I have also posted this item for September 30th, which is five days away and that is, of course, in preparation by the requirement of your Chair and this Committee to report to Council the status. What I am also going to share with you as the Members today is that working with the Committee Staff, we will be moving forward with our understanding of what is the accurate timeline, and all of those information, of course, will be forwarded to whoever does the audit itself, and our understanding of the timeline and how things progress through the Committee's understanding of information available to our Staff and from documents that we can secure to provide the information as best, not only to the potential auditor but to each of you as Committee Members. It is also your Chair's position to continue to be in discussions with the County Auditor to see the progress and the ability of establishment of the office and the future ability for him to make a final determination of either to do or not to do the audit. I know Mr. Taguchi hasn't answered the question that you want a definite answer but I can understand the situation. And while I know you want it done today and the Mayor and I'm sure the Administration would like it done today, I think the importance of providing factual information, come up with reasonable recommendations and findings to move forward is going to be critical, because I more than likely depend on that document to make the final recommendations of type of Council considerations,

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whether it be in the form of ordinances to clearly define what should be or not to be within the process. And, you know, that to me, I'm looking forward as far as an audit. The auditor, to me, or the audit is to present two things to the Council, a financial and performance response of what, and what is either strengths in our process within the financial and performance component, or what needs to be reviewed and adjusted and improved to eliminate any further situations like this in the future. At the next meeting, the Chair will be giving more specific comments on how to move forward. Today was to get the auditor and an opportunity to share comments and explain what his challenges are, his office needs to complete to be able to perform at the level that the people expected in the ratification of the Charter amendment. So that's what the Chair is sharing today and letting you know what we are going to be moving forward from the Committee, Chair and Staff level to secure and, again, prepare the timeline for you folks for you to review as we understand how it occurred from dig ground zero to today. Are there any questions for your Chair at this time? The Chair's going to defer this Item. We're going to bring it back on the 30th for additional comments from you and more specific recommendations from your Chair.

COUNCIL MEMBERS: No objections.

COUNCIL MEMBERS VOICED NO OBJECTIONS.

CHAIR HOKAMA: Okay, if not, I'm going to defer this Item and we will bring this back up on the 30th of this month.

ACTION: DEFER pending further discussion.

CHAIR HOKAMA: Okay, thank you. We are in, this meeting is adjourned. . . .(gavel). . .

ADJOURN: 12:42 p.m.

APPROVED:


G. RIKI HOKAMA, Chair
Policy and Intergovernmental Affairs Committee

pia:min:130925

Transcribed by: Kekai R. Robinson

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CERTIFICATE

I, Kekai R. Robinson, hereby certify that the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED this 16th day of October, 2013, Wailuku, Maui, Hawaii.



Kekai R. Robinson