

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

PRESENT: Frank De Rego Jr., Chair
Ronald Kawahara, Vice-Chair
Tina Gomes, Member
Jeff Halpin, Member
Yuki Lei Sugimura, Member

EXCUSED: Steve Aheong, Member
Garrett Evans, Member

STAFF: John Buck, Executive Assistant
Michelle Makii, Administrative Assistant
Ed Kushi, Deputy Corporation Counsel

OTHER: Lance Taguchi, County Auditor's Office
Linden Joesting, Deputy Corporation Counsel
Shelley Pellegrino, Technical Writer for the Commission

I. CALL MEETING TO ORDER

Chair De Rego called the meeting to order at 9:07 a.m. Because there was no quorum, Chair De Rego informed the Commission that it could proceed with public testimony and presentations, but no discussion could take place.

A member of the public, Jim Smith, indicated that he preferred to testify once there was a quorum.

Chair De Rego called a recess at 9:10 a.m.

The meeting reconvened at 9:30 a.m.

II. PUBLIC TESTIMONY

Jim Smith testified that the Commission must be accountable to the public, and that some of the agenda items appeared to be politically motivated and should be removed from the meeting agenda. First, he requested that Managing Director Keith Regan not report on the demolition of the Old Wailuku Post Office (Item V on the agenda), asserting that there appears to be no respect for the ongoing legislative investigation of the issue. Second, Mr. Smith requested that the Commission defer sending the letter of advice to the County Auditor regarding the demolition of the Old Wailuku Post Office (Item VIII), again asserting that it interferes with the legislative process, and that he believes that the County Charter does not grant the Commission advisory authority over the County Auditor. Third, he asserted that the Commission has no authority to evaluate the County Auditor (Item IX). Finally, he requested that the Commission not move forward with creating a vision statement as part of its Annual Report (Item XI).

The Commission received written testimony from Lloyd Fischel requesting that the Commission not send the letter to the County Auditor regarding the Old Wailuku Post Office demolition. He cited the need for the Auditor to remain independent.

III. REVIEW AND DISCUSS OCTOBER 10, 2013 MEETING MINUTES

Vice-Chair Kawahara moved that the October 10, 2013 minutes be approved, and Commissioner Halpin seconded the motion. The motion carried unanimously.

IV. REVIEW AND DISCUSS CORRESPONDENCE RECEIVED

There was no correspondence received.

V. PRESENTATION BY KEITH REGAN, MANAGING DIRECTOR, COUNTY OF MAUI

- **Discuss steps taken by County Administration in response to issues raised by the Wailuku Post Office demolition**

Note: the presentation by Managing Director Regan took place after the discussion (below) on the Sunshine Law.

Managing Director Regan explained that the County Administration convened a working group in July 2013 to ensure that a similar situation does not happen again. The working group included departments that specifically deal with capital improvement projects — i.e., Corporation Counsel, Management, Finance, Public Works, Water Supply, and Environmental Management. After the working group met, each department was asked to do the following: (1) look at its internal contract review processes; (2) modify its internal contract review processes as necessary; (3) conduct procedural reviews and refreshers for all staff involved in the contracting process; (4) check and recheck the budget proposal to ensure it matches the project at hand before moving forward. Managing Director Regan expressed his hope that the additional layer of review would prevent the same situation from recurring.

First Deputy Kushi added that the Finance Director must certify that funds are available before the Department of the Corporation Counsel reviews a contract for the Mayor's signature.

VI. PRESENTATION ON SUNSHINE LAW BY OFFICE OF THE CORPORATION COUNSEL

Deputy Corporation Counsel Linden Joesting made a presentation on the Sunshine Law as it applies to boards and commissions. She discussed the overall purpose and spirit of the law (public accountability; openness and transparency), and specifically reviewed the requirements for meeting agendas, permitted investigative groups (PIGs), permitted interactions between members, executive sessions, and minutes. Deputy Joesting used the August 2013 Hawaii Supreme Court decision in Kanahele v. Maui County Council to explain why government boards must not only meet the letter of the law, but also the spirit of the law.

VII. COUNTY AUDITOR'S UPDATE

Auditor Taguchi stated that he recently hired an administrative assistant who will be able to support the Commission.

Auditor Taguchi also stated that the Commission's budget must be transmitted via the County Auditor to the Mayor's Office in December. He submitted an initial budget figure of \$20,000, but suggested that the Commission consider at its December meeting whether it would like to revise the figure.

Finally, Auditor Taguchi stated that he plans to submit his first audit plan in January 2014. He plans to submit a second audit plan in mid-2014, as required by County Charter.

VIII. COMMISSION CHAIR'S UPDATE

- **Review letter of advice to County Auditor regarding the demolition of the Wailuku Post Office pursuant to the Commission's advisory authority under Maui County Charter Section 3-9.3**

Chair De Rego asked the Commission to review and propose edits to the draft letter. Commissioners Sugimura and Kawahara suggested that in the first sentence, the word "authority" be changed to "advisory role." First Deputy Kushi also requested that the word "advise" be changed to "recommend."

IX. DISCUSS AUTHORITY OF THE COMMISSION TO EVALUATE THE COUNTY AUDITOR

This item was deferred to the December 2013 Commission meeting.

X. DISCUSS FORMATION OF INVESTIGATIVE GROUPS PURSUANT TO SECTION 92-2.5(b)(1), HAWAII REVISED STATUTES

This item was deferred to the December 2013 Commission meeting.

XI. DISCUSS 2013 – 2014 ANNUAL REPORT

This item was deferred to the December 2013 Commission meeting.

XII. DETERMINE NEXT MEETING DATE AND AGENDA

The next meeting is scheduled for December 12, 2013, in the Mayor's Conference Room, at 9:00 a.m.

XIII. ADJOURNMENT

Commissioner Gomes moved and Commissioner Halpin seconded the motion to adjourn. The motion passed unanimously. The meeting adjourned at 11:10 a.m.