

**COST OF GOVERNMENT COMMISSION
MINUTES
Kalana O Maui Building, 9th Floor, Mayor's Conference Room
Thursday, December 12, 2013**

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

EXCUSED: Garrett Evans, Member

STAFF: John Buck, Executive Assistant
Michelle Makii, Administrative Assistant
Ed Kushi, First Deputy Corporation Counsel
Linden Joesting, Deputy Corporation Counsel
Jeff Ueoka, Deputy Corporation Counsel

OTHER: Scott Kaneshina, Senior Analyst, Office of the County Auditor
Camille Sakamoto, Administrative Officer, Office of the County Auditor
Shelley Pellegrino, Technical Writer for the Commission

I. CALL MEETING TO ORDER

Chair De Rego called the meeting to order at 9:03 a.m. Members of the Commission introduced themselves and welcomed new member, George Shimada.

II. PUBLIC TESTIMONY

There was no public testimony.

III. REVIEW AND DISCUSS NOVEMBER 14, 2013 MEETING MINUTES

Vice-Chair Kawahara moved that the November 14, 2013 minutes be approved, and Commissioner Gomes seconded the motion. The motion carried unanimously.

IV. REVIEW AND DISCUSS CORRESPONDENCE RECEIVED

There was no correspondence received.

V. COUNTY AUDITOR'S UPDATE

Scott Kaneshina stated that the Auditor's Office had hired Camille Sakamoto to be its Administrative Officer. The Auditor's Office is also in the comment period on its Request for Proposals for financial audit services for the County. Six proposals were received.

VI. COMMISSION CHAIR'S UPDATE

Chair De Rego thanked Deputy Corporation Counsel Linden Joesting for her presentation on Sunshine Law at the Commission's November meeting.

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

Chair De Rego stated that the Office of the Corporation Counsel recommended that the Commission call an Executive Session to obtain legal advice regarding whether the Commission has the legal authority under the County Charter to evaluate the County Auditor. He called for a vote, and the Commission voted to go into Executive Session for the purpose of consulting with the Commission's attorney on questions or issues regarding the Commission's powers, duties, privileges, immunities and liabilities in accordance with Section 92-5(a)(4), Hawaii Revised Statutes.

A recess was called at 9:11 a.m. Following its Executive Session, the Commission called its regular meeting back to order at 9:40 a.m.

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

Chair De Rego stated that in April 2013, the Commission created two investigative groups — a "Strategic Planning" group and an "Evaluation of the County Auditor" group. Chair De Rego added that he believed that both groups were legally constituted in April, but wondered whether the "Evaluation" group should be reconstituted based on the advice from Corporation Counsel that the efforts of this group needed to be refocused.

Deputy Corporation Counsel Joesting responded that if the Commission decided to form a new group(s), the Commission would be required to do the following: (1) name the members of the group; (2) define the scope of its investigation; and (3) define each member's authority in regards to the investigation. She also recommended that the Commission form new groups to avoid potential challenges to the manner in which they were previously created.

Chair De Rego noted the time constraints that would accompany the creation of new groups at the December meeting. Specifically, he pointed out that the Commission's annual report is due at the end of March, so a draft would have to be completed by February to be accepted at the Commission's March meeting.

Deputy Corporation Counsel Joesting recommended that the Commission consider discussing the annual report in open session, which would eliminate the need to create new investigative groups. She also suggested that one person (rather than a separately constituted group) draft the final report. Chair De Rego agreed to draft the final report and present the draft to the Commission at its January 2014 meeting.

IX. DISCUSS 2013 – 2014 ANNUAL REPORT

- Finalize and approve “Mission, Vision, and Goals” document for inclusion in Annual Report

The Commission reviewed a draft document entitled, “Suggestions for Mission and Vision Statement,” created by the Strategic Planning Group that had been formed in April 2013. Chair De Rego noted that the document had been discussed in open session at previous Commission meetings. Commissioner Gomes summarized the document. [Hereafter, this document will be referred to as the “Strategic Plan.”]

Commissioner Gomes moved that the Strategic Plan be approved. Vice-Chair Kawahara seconded the motion.

During the Commission’s discussion on the motion, Chair De Rego recommended that the third “action item” under the fourth bullet point of the “Goals” section be rewritten as follows: “To perform general investigations on subjects suggested by the Commission or the County Auditor as a preliminary step to a more in depth review, or to make policy recommendations.”

After further discussion, Commissioners recommended that the language of the second bullet point of the “Goals” section be rewritten as follows: “To establish performance guidelines to investigate the performance of the Office of the County Auditor.” The Commission also discussed whether to remove the following “action item” language under the second bullet: “To design an evaluation of the County Auditor that, as much as feasible, includes all stakeholders to assess the performance and operation of the County Auditor’s effort.”

Commissioner Aheong asked the Commission to consider removing the second bullet point altogether. Commissioner Sugimura agreed, noting that the County Charter already authorizes the Commission to conduct investigations of County departments, which would include the County Auditor. Chair De Rego and Commissioner Gomes disagreed, indicating that they thought the language should remain. Chair De Rego and Commissioner Gomes also pointed out that the Strategic Plan is a living document that can be modified in the future.

Deputy Corporation Counsel Ueoka recommended that the Commission adopt the “mission” and “vision” portions of the Strategic Plan, but that the Commission wait to create and adopt its “goals” until after the new Commission’s term begins in April. Vice-Chair Kawahara and Commissioner Gomes disagreed, indicating their preference is to retain the Strategic Plan as a whole.

1. *Commissioner Gomes moved that the second bullet point under the “Goals” section of the Strategic Plan be amended to read as follows: **“To establish guidelines to investigate the performance of the Office of the County Auditor.”** Vice-Chair Kawahara seconded the motion.*

During discussion of the motion, Commissioner Sugimura stated she thought the proposed language was unnecessary based on the fact that the Commission is already authorized to investigate the Auditor pursuant to the County Charter. Chair De Rego replied that he believed the Commission has a

particular interest in the Office of the County Auditor and should maintain its investigatory authority of the auditor as a specific goal, rather than rely solely on the County Charter as a means to investigate.

Commissioner Kawahara called for the question. Commissioners Gomes, Halpin, and Shimada, Vice-Chair Kawahara, and Chair De Rego voted in favor of the motion. Commissioners Aheong and Sugimura voted no. The motion passed 5-2.

2. *Chair De Rego called for a vote to amend the language of the second bullet point in the "Goals" section of the Strategic Plan to read as follows: **"To design an assessment tool on the performance and operation of the County Auditor's Office."***

Commissioners Gomes, Halpin, and Shimada, Vice-Chair Kawahara and Chair De Rego voted in favor of the motion. Commissioners Aheong and Sugimura voted no. The motion passed 5-2.

3. *Commissioner Gomes moved that the language of the third "Action Item" under the fourth bullet point of the "Goals" section of the Strategic Plan be amended to read as follows: **"To perform general investigations on subjects suggested by the Commission or the County Auditor as a preliminary step to a more in depth review and/or to make policy recommendations."** Vice-Chair Kawahara seconded the motion.*

The Commissioners voted unanimously (7-0) to pass the language as amended.

4. *Chair De Rego called for the question on the main motion to approve the Strategic Plan, as amended.*

The commissioners voted unanimously (7-0) to adopt the Strategic Plan as amended.

- Discuss potential areas of investigation, process, and timelines for 2013 – 2014 Annual Report

Chair De Rego agreed to draft the final report, but asked commissioners to submit previously gathered information to Camille Sakamoto or Shelley Pellegrino, who will then forward the information to him. He plans to submit a draft of the final report to the Commission at its January 2014 meeting.

X. DISCUSS FISCAL YEAR 2015 COST OF GOVERNMENT COMMISSION BUDGET REQUEST

The Commission decided to retain the \$20,000 budget request already submitted by the County Auditor to the Mayor's Office.

XI. DETERMINE NEXT MEETING DATE AND AGENDA

The next meeting is scheduled for January 9, 2014, in the Mayor's Conference Room, at 9:00 a.m.

XII. ADJOURNMENT

Commissioner Aheong moved and Commissioner Gomes seconded the motion to adjourn. The motion passed unanimously. The meeting adjourned at 11:00 a.m.