

**COST OF GOVERNMENT COMMISSION
MINUTES**

**Kalana O Maui Building, 9th Floor, Mayor's Conference Room, Waihe'e Side
Thursday, October 8, 2015**

PRESENT: Garrett Evans, Vice Chair
Bradley Bunn, Member
Paul Kailiponi, Member
Stanford Lantias, Member
Dale Thompson, Member
John Watling, Member

EXCUSED: Gabriel Hoeffken, Member
E. Gayle Long, Member

STAFF: Gary Murai, Deputy Corporation Counsel
Shelley Pellegrino, Technical Writer for the Commission

OTHER: Lance Taguchi, County Auditor
John Buck, Executive Assistant, Office of the Mayor
Troy Hashimoto, Executive Assistant, Council Chair Mike White

HANDOUTS DISTRIBUTED:

1. **Copy of August 27, 2015 Meeting Minutes**
2. **Copy of September 10, 2015 Meeting Minutes**
3. **Reading List (compiled by Commissioner Paul Kailiponi)**
4. **Outline ("Should Maui County Adopt a Council Manager Form of Local Governance) (submitted by Commissioner Paul Kailiponi)**
5. **Copy of Wednesday, October 7, 2015 article from The Maui News entitled, "Governance special committee is referred to committee")**

I. CALL MEETING TO ORDER

Vice-Chair Evans called the meeting to order at 10:05 a.m.

II. PUBLIC TESTIMONY

There was no public testimony received.

III. REVIEW AND APPROVE AUGUST 27, 2015 MINUTES

A. Review and Approve August 27, 2015 Meeting Minutes

Commissioner Kailiponi moved to approve the August 27, 2015 meeting minutes. Commissioner Thompson seconded the motion. The minutes were approved unanimously.

B. Review and Approve September 10, 2015 Meeting Minutes

Commissioner Kailiponi moved to approve the September 10, 2015 meeting minutes. Commissioner Lantias seconded the motion. The minutes were approved unanimously.

IV. REVIEW AND DISCUSS CORRESPONDENCE RECEIVED

A. Letter from Council Chair Mike White Regarding County Manager System of Government

Vice-Chair Evans noted that the information provided in the letter from Council Chair White was not as specific as the Commission had hoped to receive. Commissioners agreed with his assessment.

Commissioner Kailiponi added that he had hoped to have received the response sooner. He added that he submitted written testimony to the County Council's Policy and Intergovernmental Affairs Committee explaining that he thought Chair White's letter was untimely, not specific enough, did not differentiate tasks between the Commission and the proposed Special Committee, and did not address the potential duplication of effort by having two groups reviewing the issue at the same time. Commissioner Kailiponi concluded that it would not be prudent to have a Special Committee.

Vice-Chair Evans stated that there are inefficiencies in Maui County government, but whether the system is "broken" is another question. He added that it is not enough to pitch a solution without a more well-defined problem.

Commissioner Watling stated that he thought it extremely important that Council Chair White attend a Commission meeting to discuss the issue in person with commissioners.

Commissioner Bunn pointed out the rancor between the Office of the Mayor and the Maui County Council and that, in his opinion, either form of government will work well if the legislative and executive branches of government want it to. Changing a system of government in response to the rancor will not solve the underlying problem.

Commissioner Watling pointed out that the Commission is not a political organization. Commissioner Kailiponi agreed and added that the Commission's tasks should be clear, well delineated, and transparent.

V. COUNTY AUDITOR'S UPDATE

County Auditor Lance Taguchi informed the Commission that it completed its audit of the County's road resurfacing, improvement, and maintenance practices, and hoped to issue its report in late October.

VI. 2014 – 2015 COGC ANNUAL REPORT

A. Discuss Presentation of 2014 – 2015 Annual Report to Council Members

Vice-Chair Evans explained that he had not yet drafted letters to the County Council offering to meet with individual members to discuss the 2014 – 2015 Annual Report. The letters are forthcoming.

Commissioner Kailiponi noted that Budget Chair Hokama would be investigating the County grant system. It was suggested that Councilmember Hokama be invited to a future Commission meeting to discuss the issue. Vice-Chair Evans stated that he would extend the invitation.

VII. 2015 – 2016 COGC ANNUAL REPORT

A. Discuss County Manager System of Government as Topic for Annual Report

The Commission invited Troy Hashimoto, Executive Assistant to Council Chair Mike White, to provide an update regarding Chair White's proposed resolution entitled, "Establishing a Special Committee on County Governance," which was discussed at the County Council's October 6, 2015 meeting. Mr. Hashimoto explained that much of the discussion that took place at the meeting was process oriented. There was no discussion on a preferred form of government, and that Chair White also did not have a preferred system of government in mind. He added that because the Council referred the matter to the Policy and Intergovernmental Affairs (PIA) Committee, there was some question as to the membership (i.e., whether members of the general public could participate) and timing (i.e., when it would be established; whether it would have enough time to complete its work) of the Special Committee. His understanding was that the PIA Committee would meet in early November to take up the matter. Because of the delay in establishing the Special Committee, Mr. Hashimoto explained that he hoped the Commission to begin its work soon.

B. Consider Additional Potential Topics for Annual Report

There was no discussion of additional topics for the Annual Report.

C. Discuss Scope of Work for Annual Report, Including the Establishment of Temporary Investigative Groups or Standing Committees

Commissioner Watling stated that he would prefer Chair White present the Commission with a "menu of items" for it to look at to help narrow the scope of research.

Vice-Chair Evans opined that the Commission would not get much information from the County Council, but that the Commission should decide how to move forward with or without information. He stated that the Commission should at the very least identify potential problems with the current government structure, but that it was not required to provide a solution.

The Commission discussed whether to hold public hearings in addition to its regularly-scheduled meetings. Deputy Corporation Counsel Gary Murai explained that the Commission would still need to comply with the Sunshine Law, and that the Commission is welcome to accept public testimony at any of its monthly meetings.

Commissioner Kailiponi stated that he would be attending the November 2nd PIA Committee Meeting and encouraged other commissioners to attend as well. He added that he had spoken with PIA Committee Chair Mike Victorino, who encouraged him and other commissioners to attend. Deputy Corporation Counsel Murai cautioned the Commission that the Sunshine Law might preclude more than two commissioners from attending the meeting, regardless of whether the PIA Committee Chair extends a formal invitation to commissioners to attend or not. Technical Writer Shelley Pellegrino suggested that the Commission identify two people who would present testimony at the November meeting, and other commissioners could submit written testimony should they choose to do so. Vice-Chair Evans and Commissioner Kailiponi volunteered to attend the meeting.

Commissioner Kailiponi suggested that the Commission invite members of the not-yet established Special Committee to Commission meetings to participate and share their expertise, particularly because there is no specific delineation of tasks between the two bodies being asked to evaluate the County Manager system of government. Commissioner Bunn stated that the Commission should be open to accepting information from anyone.

Commissioner Watling stated that the Commission should correspond with the remaining eight Council members asking them for their perspective on the County Manager system of government. Commissioner Kailiponi moved that such letters be written, and Commissioner Thompson seconded the motion. The motion passed unanimously.

Commissioner Kailiponi shared an outline he prepared entitled, "Research Question: Should Maui County adopt a council manager form of local governance?" Commissioner Kailiponi pointed out that the thoughts in the outline were his alone, and that the commissioners were welcome to accept or reject any of his ideas. He then presented the substance of his outline, which included information he received to date, the types of government systems to be evaluated, the criteria on how to review the various government systems being evaluated, accountability of the County administrator, and potential savings due to fewer executive positions.

In the discussion of accountability, Commissioner Kailiponi pointed out that a related issue is the fact that the County of Maui does not have district elections. In Commissioner Kailiponi's opinion, without district-elected representatives, there is no guarantee that an appointed County Manager would address all County concerns equally across geographic regions.

Commissioner Lantias stated that the Commission should consider district elections as part of its evaluation of the County Manager system. In response, Commissioner Kailiponi stated that County Clerk Danny Mateo provided him with a breakdown of voters by district for the last election, which the Commission could then use to compare the number of votes candidates received by district as opposed to the at-large voting process in place. Commissioner Kailiponi surmised that if the composition of the County Council would have been different through district voting (as opposed to the

current at-large voting system), then the County Manager would not truly represent the needs of each district either. Conversely, Commissioner Kailiponi also pointed out the merits of at-large voting, namely that canoe districts would likely need to be created to compensate for the disparity of the population of Lana'i and Moloka'i as compared with Maui.

With respect to the issue of any potential savings that might result from fewer executive positions, Commissioner Kailiponi stated that he spoke with Budget Director Sandy Baz who disagreed with this assumption. According to Commissioner Kailiponi, Director Baz stated that certain positions would need to be retained regardless of the system of government, and he offered his assistance to identify the positions that should be retained.

Finally, Commissioner Kailiponi discussed his notion of "inherency." He explained that any proposed change in the County Charter should be amply reviewed, debated, and explained to the general public. To that end, he stated that there should be an evaluation of the amount of County work and time that would be required for this type of Charter amendment. In other words, He noted that the Mayor's Office, County Council, County Clerk, and Corporation Counsel could help with this type of assessment.

Vice-Chair Evans expressed his appreciation for Commissioner Kailiponi's work to date. He added that he preferred the Commission focus on a couple of the outline topics.

Commissioner Kailiponi explained that Outline Item 4.b. (Efficiency/Economy) might be a reasonable topic because he thought the research could include a literature review and would not be too time-consuming.

Commissioner Kailiponi asked the County Auditor whether the Commission had a budget to purchase two articles. County Auditor Taguchi responded that the Commission does have a budget, most of which is controlled by the Council Chair, but that the County Auditor does have some control over smaller purchases. Mr. Taguchi stated that he would look the process to purchase the articles.

Vice-Chair Evans stated that he would be interested in reviewing Outline Item 4.c. (Accountability). Commissioner Kailiponi offered to do the voting analysis portion of this topic, and pass his research along to Vice-Chair Evans.

Vice-Chair Evans also stated that he was interested in the Commission researching Outline Item 4.a. (Professionalism). Commissioner Kailiponi added that any research on this topic should include reviewing equivalent professional positions in Maui County. Commissioner Kailiponi offered to review the issue of turnover rates as part of the "Professionalism" topic.

Commissioner Kailiponi stated that the Commission should engage individuals such as the County Clerk and Budget Director, as well as the County Council, when doing its research.

Commissioner Kailiponi then distributed a reading list he put together regarding the County Manager system of government.

D. Discuss Annual Report Timeline

Vice-Chair Evans stated that the Commission seemed to be moving forward at a good pace.

VIII. COST OF GOVERNMENT COMMISSION LEADERSHIP

A. Election of Commission Chair

Deputy Corporation Counsel explained the elections process. He then opened the floor for nominations for Commission Chair. Commissioner Thompson nominated Garrett Evans, and Commissioner Bunn seconded the motion. There were no other nominations. Vice-Chair Evans was elected unanimously.

B. Election of Commission Vice Chair, if Necessary

Commissioner Thompson nominated Paul Kailiponi for Vice Chair, and (inaudible) seconded the motion. Commissioner Kailiponi was elected unanimously.

IX. DETERMINE NEXT MEETING DATE, TIME, PLACE, AND AGENDA

The next meeting is scheduled for November 12, 2015, in the Mayor's Conference Room, Waihe'e side, at 10:00 a.m.

The Commission requested that Council Chair White attend the Commission's October meeting.

X. ADJOURNMENT

The meeting adjourned at 11:53 a.m.