

**COST OF GOVERNMENT COMMISSION
MINUTES**

**Kalana O Maui Building, 9th Floor, Mayor's Conference Room, Waihe'e Side
Thursday, September 13, 2018**

PRESENT: Paul Kailiponi, Chair
Noemi Barbadillo, Member
Bonnie DeRose, Member
Barbara Mattson, Member
Stanford Lantias, Member

EXCUSED: Sharron Courter, Vice-Chair
Paula Heiskell, Member

STAFF: Ed Kushi, First Deputy Corporation Counsel
Shelley Pellegrino, Technical Writer for the Commission
Lance Taguchi, County Auditor

OTHER: Mike Molina, Executive Assistant to the Mayor

DOCUMENTS RECEIVED:

1. Cost of Government Commission 2017–2018 Annual Report (Draft)
2. Cost of Government Commission Report on Compliance Losses and Risk Management Practices in Maui County (Draft)
3. Maui County Charter Section 3-9.3 (Cost of Government Commission)
4. Maui County Charter Section 3-9 (Declaration of Policy)
5. Rules of Practice and Procedure for the Cost of Government Commission (Chapter 01-201)

I. CALL MEETING TO ORDER

Chair Kailiponi called the meeting to order at 10:19 a.m.

II. PUBLIC TESTIMONY

There was no public testimony.

III. REVIEW JUNE 14, 2018, JULY 12, 2018, AND AUGUST 9, 2018 MEETING MINUTES

Commissioner Mattson moved to approve the June 14, 2018, July 12, 2018, and August 9, 2018 meeting minutes, and Commissioner DeRose seconded the motion. The minutes were approved unanimously.

IV. REVIEW AND DISCUSS CORRESPONDENCE RECEIVED

There was no correspondence received.

V. COUNTY AUDITOR'S UPDATE

County Auditor Lance Taguchi stated that the option to extend the contract for the Technical Writer for Fiscal Year 2019 was executed.

VI. DISCUSS COST OF GOVERNMENT COMMISSION RULES AND PROCESSES

Chair Kailiponi stated that the reason for his decision to discuss Commission rules and processes was twofold: (1) the recent addition of new commissioners; and (2) the anticipated turnover of commissioners in early 2019, and the need to ensure institutional knowledge. He added that any rules and processes created by the Commission can change over time.

Chair Kailiponi provided a brief overview of the Commission's authority under the Charter, including its role and powers as an investigative body, and included the following information:

1. The Commission is advisory to the County Auditor.
2. The Commission has wide investigative powers (Charter Section 3-9.3.1).
3. The Commission is authorized to secure needed information from any department, commission, board, office, or other instrumentality of all branches of County government (Charter Section 3-9.3.2).
4. The Commission must submit an annual report of its findings and recommendations to the Mayor, Council, and County Auditor (Charter Section 3-9.3.3).

Chair Kailiponi added that the Commission should try to do its best to be as transparent as possible in its investigations.

Commissioner Mattson inquired about the process to request information from County. Chair Kailiponi explained that there is a "formal" process and "informal" process. Ms. Pellegrino added that the formal process generally is to request information in writing through the Commission chair. Commissioner Mattson noted that oftentimes the information being requested is a public record, so the formal process seems somewhat redundant, time consuming, and unnecessary. Chair Kailiponi responded that although the Commission has wide investigative powers, it also has little teeth, so the Commission needs to "play nice" and build positive relationships when requesting information. Chair Kailiponi explained that the "informal" process of simply asking also can be effective depending on the type of investigation and individuals involved. He recommended that any County communication between a commissioner and entity being investigated include a cc to the technical writer.

With respect to annual reports, Chair Kailiponi explained that the Commission will continue to transmit annual reports to the Mayor, County Council, and County Auditor, but that it will also issue stand-alone reports as needed to relieve commissioners from the pressure of completing an

investigation by a set time. Ms. Pellegrino recommended that the annual report be released prior to the end of the Commission's term in March of each year.

Mike Molina noted that there would be a new County administration in 2019 and suggested that the Commission consider inviting newly-appointed department directors to a future Commission meeting to introduce them to the Commission and explain its investigative role.

The Commission next turned to the Commission's budget. County Auditor Taguchi explained that the Commission submits its proposed budget to the County Auditor, who then includes it in the Auditor's annual budget. It is not a requirement that the County Auditor submit the proposed budget to the Mayor, because the County Council develops its budget and the Mayor's proposal is simply a set of recommendations. Nonetheless, the County Auditor does submit it to the Mayor because it is the most effective way to ensure the County Auditor's budget is included.

Chair Kailiponi next explained that the Commission's line-item budget is \$24,000 for Fiscal Year 2019, and includes the services of the technical writer, travel expenses for neighbor-island commissioners, gas for local travel, and County parking passes. Technical writer services including drafting the monthly agenda, attending commission or other meetings, drafting correspondence and minutes, and producing the annual report and stand-alone reports.

The technical writer is asked to submit an invoice monthly to the Commission chair for services performed for the month prior. The technical writer is also responsible for posting the monthly agenda and drafting meeting minutes. The Commission chair is responsible for tracking the Commission's budget.

The Commission then discussed basic criteria for choosing a topic to investigate and included the following general processes:

1. Focus on economy and efficiency of County operations/policies.
2. Do not impede the operations, management, or investigatory responsibilities of other commissions without consultation.
3. Investigate topics that interest Commission members.
4. Investigate topics that work towards the experiences/talents of Commission members.
5. Accept suggestions from external sources (e.g., Mayor's Office, County Council, public).

The Commission then discussed whether to use Temporary Investigative Groups (TIGs) when investigating a particular issue. Chair Kailiponi explained that he prefers not to use TIGs because he thinks it limits the Commission, but that it is a tool that can be used.

The Commission recessed at 11:30 a.m. and reconvened at 11:33 a.m.

Chair Kailiponi noted his preferences regarding the investigations undertaken by the Commission. Specifically, he explained that he cares about being positive and prefers to wait for a good product before releasing a report. He added that "method matters most." In other words, the manner in which the Commission reaches its conclusions is just as important as the conclusions themselves. Finally, Chair Kailiponi stated that to eliminate potential bias, he prefers the Commission not make its findings and recommendations until after an investigation is complete.

Chair Kailiponi stated that elections for Commission chair and vice chair will occur during March of each year. The Commission term ends on March 31.

Chair Kailiponi stated that he would draft a written summary of the discussion.

First Deputy Corporation Counsel Ed Kushi distributed copies of the following documents:

1. Maui County Charter Section 3-9.3 (Cost of Government Commission)
2. Maui County Charter Section 3-9 (Declaration of Policy)
3. Rules of Practice and Procedure for the Cost of Government Commission (Chapter 01-201)

Mr. Kushi suggested that any document that Chair Kailiponi drafts regarding the discussion above be called a clarification of internal practices.

VII. DISCUSS 2017 – 2018 ANNUAL REPORT DRAFT (POSSIBLE COMMISSION ACTION)

A. Compliance Losses and Risk Management (Chair Kailiponi)

Chair Kailiponi distributed copies of the draft compliance losses and risk management practices report. He explained that the latest draft incorporated the department responses and completed footnote references. He noted that the Department of Parks and Recreation did not submit a response, so none was included.

Commissioner DeRose moved to approve the Compliance Losses and Risk Management Practices Report, and Commissioner Mattson seconded the motion. The Commission voted unanimously to approve the motion.

B. Compensatory and Overtime Pay (Commissioners Heiskell & Courter)

Ms. Pellegrino stated that she was waiting for updated information from the Managing Director on County Building energy usage. She also needed to finalize a few citations.

Commissioner Mattson moved to approve the 2017 – 2018 Annual Report, which included final reports on compensatory and overtime pay and energy usage of County facilities, and a summary of the ongoing investigation into the Office of Economic Development's grant to the Maui Visitors Bureau. Commissioner Lantias seconded the motion. The Commission voted unanimously to approve the motion.

C. Energy Usage of County Facilities (Commissioner Lantias)

See discussion under VII.B. above.

VIII. DISCUSS CURRENT TOPICS UNDER REVIEW

A. Office of Economic Development — Maui Visitors Bureau Grant (Commissioner Mattson)

Commissioner Mattson stated that she had nothing to report.

IX. CONSIDER POTENTIAL NEW TOPICS TO REVIEW

Commissioner DeRose stated that she was interested in looking at the type of vegetation that lines the Lahaina bypass. She is concerned about the dry grass and would like to see if there is vegetation that would be more drought resistant. She stated that she has not yet investigated who owns the land along the state highway and who maintains the grass near it.

Commissioner Lantias stated that he was interested in reviewing the County's grant to the YMCA. He inquired as to which department administers the County grant. Mr. Molina responded that he was not sure, but he could follow up.

X. DETERMINE NEXT MEETING DATE AND AGENDA

The next meeting is scheduled for Thursday, October 11, 2018, at 10:15 a.m.

XI. ADJOURNMENT

The meeting adjourned at 12:04 p.m.