

**COST OF GOVERNMENT COMMISSION
MINUTES**

**Kalana O Maui Building, 9th Floor, Mayor's Conference Room, Waihe'e Side
Thursday, January 10, 2019**

PRESENT: Paul Kailiponi, Chair
Sharron Courter, Vice-Chair
Noemi Barbadillo, Member
Bonnie DeRose, Member
Paula Heiskell, Member

EXCUSED: Stanford Lantias, Member
Barbara Mattson, Member

STAFF: Ed Kushi, First Deputy Corporation Counsel
Shelley Pellegrino, Technical Writer for the Commission
Lance Taguchi, County Auditor
Camille Sakamoto, Administrative Officer, Office of the County Auditor

OTHER: Sandy Baz, Acting Managing Director, Office of the Mayor
Bill Snipes, Executive Assistant, Mayor's Office

DOCUMENTS RECEIVED:

None

I. CALL MEETING TO ORDER

Chair Kailiponi called the meeting to order at 10:40 a.m.

II. PUBLIC TESTIMONY

There was no public testimony.

III. REVIEW DECEMBER 13, 2018 MEETING MINUTES

Commissioner DeRose moved to approve the December 13, 2018 meeting minutes, and Commissioner Heiskell 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 he had been appointed to another six-year term beginning July 1, 2019.

VI. DISCUSS CURRENT TOPICS UNDER REVIEW

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

Ms. Pellegrino stated that she transmitted a request via email to the Office of Economic Development for additional information. Former OED Director Teena Rasmussen responded asking for a “formal” letter, but Ms. Pellegrino was informed by the Office of Corporation Counsel that the original request was sufficient and that the information requested was a public record. Ms. Pellegrino stated that she could request the information again now that the new administration was in place. Chair Kailiponi stated because Commissioner Mattson was not present at the meeting, the matter would be deferred.

VII. CONSIDER POTENTIAL NEW TOPICS TO REVIEW

Chair Kailiponi noted that there will be turnover in the Commission at the end of March, so that most of the decisions as to what to review in the future should be made by the commissioners who will carry over to the new term. Chair Kailiponi also asked that the following considerations be made when deciding whether to review the topic: (1) the topic is within the Commission’s purview; (2) the topic is of interest to the Commission; (3) the topic is one that the Commission feels comfortable investigating based on the knowledge base and composition of the Commission.

Commissioner DeRose stated that she spoke with a broker with whom she works about some of the issues that were raised at the Commission’s December 2018 meeting, and that the broker singled out the department policy binders as being a noteworthy issue. According to Commissioner DeRose, the broker stated that the policies in the binders are cumbersome and can cost the County time and money. She stated that she did not think the Commission should go through the binders, but the Commission could investigate how the binders are currently organized and recommend someone to assist the County. Commissioner DeRose added that the broker would be happy to speak with the Commission to provide more concrete examples of the issues he sees with the policy binders.

Commissioner DeRose also raised the issue of department directors being required to attend Council meetings, which was discussed with former Managing Director Keith Regan at the December meeting. She thought it would behoove the Council to be more considerate of other people’s time and energy.

Vice-Chair Courter stated that with respect to the policy binders, it might be difficult for the Commission to decide what should or should not be in the binders. Commissioner DeRose responded that she thought the Commission could look at the binders to see whether and how they are organized, and then take them to an outside source to consolidate them somehow.

Vice-Chair Courter wondered whether the perceived mismanagement of the Waiehu Golf Course was still an issue. She also stated that she was interested in investigating whether there is a duplication of services with County grants. A third topic she was interested in was the County employee parking issue that was raised by former Managing Director Regan at the December 2018 meeting.

Commissioner DeRose asked whether the Commission had any type of written history of the projects the Commission has investigated in the past. Chair Kailiponi stated that there was no document per se, but that the annual reports would be a resource. Technical Writer Pellegrino stated that the annual reports would include topics that were investigated, but would not include

topics that the Commission might have considered but decided not to investigate, or topics where an investigation was started but did not go far enough to warrant a mention in the report. Those topics would need to be reviewed in Commission minutes.

Commissioner Heiskell stated that she was interested in reviewing antiquated job descriptions, but was not sure how to proceed with such a review. Chair Kailiponi responded that a Commission review would not need to include all County job descriptions, but perhaps only a few key positions.

Commissioner Barbadillo raised the issue of County roadways on Lanai. County Auditor Taguchi stated that his office did an audit of the County roadway system, which focused on the rate of repair. The report also discussed how the County determines what roads to repair and road preservation.

Mr. Taguchi also commented on the Waiehu Golf Course, noting that the County Council amended the County Code so the golf course is no longer an enterprise fund and, as such, is no longer required to be self-sustaining. Mr. Taguchi added that the amendment does not take away from the fact that any County operation should be efficient.

Mr. Taguchi pointed out that there is no requirement that the Commission rush into a decision about which topics to investigate. He noted that it would be beneficial to enter into discussions with the new Administration and new County Council to determine what concerns they have and what directions they might be planning to take. Chair Kailiponi agreed that it would be beneficial to talk with the new Administration about some of the topics it is consideration.

Chair Kailiponi stated that he thought the length of the budget process would be appropriate for the Commission to investigate. More specifically, he stated that there is the uncertainty of knowing whether your topic will be considered on any given day because the budget process agendas are so general. He added that what usually happens at the end of the budget review process are decreases to department budgets that seem more rote than specific to the arguments made by the department representatives themselves.

Chair Kailiponi stated that he would like to review last year's budget to determine how many meetings there were, how many hours were spent reviewing the budget, how much time each department had to discuss its budget, and how much time was scheduled for each department. Chair Kailiponi also stated that he would like to review the amount of time a department director was required to be present at a particular budget meeting versus the amount of time actually spent discussing that specific department's budget during the meeting. Chair Kailiponi noted he would like to verify former Managing Director Regan's assertion that the Administration had requested that its department directors be "on call" during budget deliberations, but that the County Council has said it prefers the directors be present at all times.

Chair Kailiponi stated that because his term expires at the end of March, he would begin a review of budget process and come up with a methodology to analyze the information.

Commissioner DeRose stated that she would take responsibility for examining County policies, and Commissioner Barbadillo agreed to assist.

First Deputy Kushi explained that the policy binders can contain many different types of documents, including department policies, administrative rules, and decision memos, so a review would be time consuming. The departments with the largest binders are likely Planning, Finance, and Parks and Recreation, and Personnel.

Commissioner Heiskell stated that she was not sure what former Mayor Arakawa's intent was when he shared the binders at the December 2018 meeting.

Vice-Chair Courter stated that she thought the Commission's review of the Office of Economic Development grant to the Maui Visitors Bureau, along with the budget process review and planning binder review, are all considerable topics, so that she wanted to think further before taking on another project.

Mr. Kushi stated that the Commission's review of the OED grant could take the better part of a year, especially with the recent transition to a new administration. Ms. Pellegrino noted that Commissioner Mattson's term expires at the end of March. Vice-Chair Courter volunteered to contact Commissioner Mattson to request an update on her investigation.

Chair Kailiponi suggested that the Commission invite Council Chair King and Mayor Victorino or a representative to attend its next meeting.

VIII. DISCUSS 2018 – 2019 ANNUAL REPORT

Chair Kailiponi stated that he would draft a short report prior to the February meeting so that it could be finalized prior to the end of the Commission term in March.

IX. DETERMINE NEXT MEETING DATE AND AGENDA

The next meeting is scheduled for Thursday, February 14, 2019, at 10:15 a.m.

X. ADJOURNMENT

The meeting adjourned at 11:56 a.m.