

**COST OF GOVERNMENT COMMISSION  
MINUTES**

**Kalana O Maui Building, 9<sup>th</sup> Floor, Mayor's Conference Room, Waihe'e Side  
Thursday, April 11, 2019**

**PRESENT:** Sharron Courter, Vice-Chair  
Michelle Del Rosario, Member  
Paula Heiskell, Member  
Barbara Mattson, Member  
Sarah Simmons, Member  
Hannah Werth, Member

**EXCUSED:** Noemi Barbadillo, Member  
Bonnie DeRose, Member

**STAFF:** Jerrie Sheppard, Deputy Corporation Counsel  
Shelley Pellegrino, Technical Writer for the Commission  
Lance Taguchi, County Auditor

**OTHER:** Gladys Baisa, Ex-Officio Member, Office of the Mayor  
Karla Peters, Director, Department of Parks and Recreation

**DOCUMENTS RECEIVED:**

None

**I. CALL MEETING TO ORDER**

Vice-Chair Courter called the meeting to order at 10:15 a.m.

**II. PUBLIC TESTIMONY**

There was no public testimony.

**III. INTRODUCTION OF NEW COMMISSIONERS**

The commissioners and staff briefly introduced themselves. Newly-appointed Commissioner Sarah Simmons stated that she is originally from Maui and currently works as an attorney in the Prosecutor's Office. Newly-appointed Commissioner Michelle Del Rosario stated that she has lived on Maui for 29 years and is currently Chief of Staff for Council Chair Kelly King. She added that in working for Chair King, she has observed quite a bit of duplication of efforts at the County and would like to help create more government efficiency by streamlining County processes. Commissioner Paula Heiskell stated that she retired from the Prosecutor's Office and has been on the Commission for three years. Commissioner Barbara Mattson stated that she has lived on Maui for 25 years, is a registered nurse, and has been on the Commission for two years. Newly-appointed Commissioner Hannah Werth stated that she works for the Hawaii Community Foundation. Chair Sharron Courter stated that she has been on Maui for more than 30 years and is an auditor and certified fraud examiner. She previously served on the Cost of Government Commission about 10 years ago.

#### **IV. REVIEW AND APPROVE FEBRUARY 14, 2019 MEETING MINUTES**

Commissioner Heiskell moved to approve the February 14, 2019 meeting minutes, and Commissioner Mattson seconded the motion. The minutes were approved unanimously.

#### **V. REVIEW AND DISCUSS CORRESPONDENCE RECEIVED**

There was no correspondence received.

#### **VI. COUNTY AUDITOR'S UPDATE**

County Auditor Lance Taguchi stated that he had no update from his office.

#### **VII. OVERVIEW OF DEPARTMENT OF PARKS AND RECREATION BY DIRECTOR KARLA PETERS**

Ms. Peters first introduced herself, stating that she was born and raised on Maui and has worked for the County for 28 years, 21 of which have been with the Department of Parks and Recreation ("Department"). She then provided a brief overview of the Department. There currently are 417 employees, as well as 300 seasonal employees for the PALS program. The Department's total operating budget for Fiscal Year 2019 is \$36 million, and its Capital Improvement Program (CIP) budget is \$16 million.

The Department is comprised of the following programs: (1) Administration Program (administrative office, permits and enforcement section, grants section, master planning section, and safety section); (2) Parks Program (planning and development division, maintenance division); (3) Recreation and Support Services Program (recreation districts, including Molokai, Lanai, and Hana); (4) PALS Program; (5) Aquatics (County pools); and (6) Waiehu Golf Course (next year it will be part of the Parks Program). The Department manages 2,547 acres of developed parkland, 130 playing fields, 22 community centers, 16 playgrounds, 9 gyms with one under construction in South Maui, 3 campsites, 24 beach parks, 31 outdoor courts, 53 tennis courts, and 5 skateparks.

Ms. Peters then highlighted some of the Department's cost-saving measures. First, the Department is replacing existing parking lot lights with LED fixtures.

Second, the Department is currently reviewing its vehicle fleet and replacing some of its larger trucks with compact trucks for more fuel efficiency. The Department has taken over the procurement process for its vehicles (formerly done through the Department of Public Works), so they can specify the types of vehicles they need and put it out to bid as a "fleet" based on the funding amount provided for the year, which has proven to be cost effective.

Third, the Department is doing a conversion of its old "quick coupler" systems, which were not automated, so that the irrigation is now part of a timer system. She noted that the Department does not standardize its timers because some areas in Maui (e.g., East Maui) do not need the same amount of watering time as others. The Department has evaluated the watering needs and demands for its parks and adjusted watering schedules accordingly.

Fourth, the Department has started a pilot program at Waiehu Golf Course to replace its existing large rotary mowers with hybrid mowers. The Department is evaluating whether the hybrid mowers can provide the more detailed cuts that are required on the golf course. If the hybrid mowers work well, the Department will consider replacing its other rotary mowers.

Finally, the Department is upgrading its variable frequency drives, which run the pumps at County pools. This allows the pumps to be used as needed, as opposed to being in use 24 hours per day. This will help reduce electricity costs and put less strain on the pumps themselves.

Ms. Peters then explained that the Department has three strategies it is working on for Fiscal Year 2019. The first is facility and preventative maintenance, which includes the implementation of computerized maintenance management software, so the Department can identify costs associated with all repairs. Ms. Peters explained that employees receive work orders that are automatically generated, so they know what work they have for the day. At the end of the day, they input the hours worked on each project, as well as the cost of materials, so the Department can identify the time and material costs to do a particular project. The program also has a preventative maintenance feature, which assists the Department with identifying failures before they occur.

The second strategy is strategic planning, which includes a long-range planning process. The Department is also working to implement a new operating system to streamline the current permitting process.

The third strategy is to improve customer service, safety, and community outreach. Ms. Peters noted that although the Department has partnership relationships, the greater community does not necessarily understand or know what the Department does. One of Ms. Peters' goals is to start a "Friends" volunteer program in each community, similar to the South Maui Volunteers headed by Bob and Lis Richardson. These programs do not take away from the work done by employees, but they do assist with cleanup and beach management, which are areas the Department does not necessarily have the expertise or time to do.

Ms. Peters also pointed out that park safety, both for Department employees and for park patrons, is important. She pointed to the Cost of Government Commission's most recent report on compliance losses and risk management, and reported that the total recordable claims for the Department has steadily declined from 44 in 2016 to 33 in 2017 to 20 in 2018. She added that the Department has instituted its own safety committee and strives to continue reducing its total recordable claims figure.

Vice-Chair Courter asked Ms. Peters to provide a little more information about the beautification section. Vice-Chair Courter asked whether the Department uses native plants as part of its landscaping. Ms. Peters explained that the beautification section primarily deals with field turf, but that the Department does try to use native plants where it can. The County has a small nursery near the Maui Nui Botanical gardens, and works in partnership with Maui Green and Beautiful (MGB) as well. To illustrate, Ms. Peters provided an example about work her Department was doing in West Maui; to ensure that the workers understood which native plants in the area should not be removed, the Department worked with MGB to train employees on how to identify those plants. Similarly, in the Kanaha area, County employees work with MGB to identify native plants that need to be maintained, as well as non-native plants that house a native moth. Ms. Peters added that MGB also manages the County's tree maintenance contracts.

Vice-Chair Courter stated that the Commission previously considered reviewing the profitability of the Waiehu Golf Course and asked Ms. Peters whether she thought the Commission should look

at it more closely. Ms. Peters thought that the Commission could look at it, particularly because there are new programs being implemented.

Ms. Peters stated that renovation of the front nine greens would be starting the following week. At the end of April, the Department would be meeting with a vendor regarding the new operating system; the current system is so antiquated that the golf course cannot accept credit cards. Ms. Peters pointed out that currently there is one system for reservations and one for finances, which is inefficient. The new operating system will incorporate online booking, website maintenance, and management capabilities for the restaurant, pro shop, driving range, and green fees.

In addition, the Department requested funding in the Fiscal Year 2020 budget for a new grease trap for the restaurant. An invitation to bid will then go out for a new concessionaire. The Department is also in the process of developing a new master plan for the restaurant and clubhouse. The preliminary concept, which has been shared with the community, is a two-story building that will capture the ocean views. The upper area would also be a place that could be rented to the community for family events. Ms. Peters noted that the Department is cognizant of the neighborhood surrounding the golf course and wants to limit the amount of traffic through the area. On weeknights, the Department could open the area for community classes or hula halau.

The Department has improved the cash handling policies and security cameras are now in place as well.

Commissioner Mattson asked about staffing levels. Ms. Peters responded that there are four full-time and one part-time golf course operation clerks ("starters"), and 15 employees who maintain the course (including a chemical treatment worker, heavy equipment operator, irrigation specialist, and mechanic).

Vice-Chair Courter asked about the restaurant management. Ms. Peters explained that the restaurant is run by a concessionaire. After the County has made needed improvements, it will go out to bid for a new concessionaire. The pro shop, driving range, and carts are run by a separate concessionaire.

Commissioner Del Rosario asked whether the hybrid mowers are electric hybrids. Ms. Peters responded that they are diesel, but run on a hybrid system. Commissioner Del Rosario asked whether the mowers could use biodiesel. Ms. Peters responded that the Department currently does not use biodiesel. Commissioner Del Rosario asked whether the Department would consider using biodiesel, and Ms. Peters responded yes.

Commissioner Del Rosario also asked about the streamlining of the permitting process and Ms. Peters' prior statement that the current contract will run for another 18 months. Specifically, Commissioner Del Rosario asked whether there was a cancellation provision in the contract so that a new system could be implemented sooner. Ms. Peters responded that the County's Information Technology Division manages its contract and she would need to follow up. Ms. Peters added that it will take about the same amount of time to identify a suitable system that meets the Department's needs, as well as integrates well with the IT and Finance departments.

Commissioner Del Rosario asked whether the golf course currently has a golf pro and whether the pro offers classes that generate revenue. Ms. Peters responded that the golf pro's current focus is on student lessons and working with the Maui Interscholastic League. She added that revenue generation is important, as is the Department's mission to provide cost-effective recreation opportunities for residents and visitors.

Ms. Baisa stated that Waiehu Golf Course is important outlet for seniors on fixed incomes who want to maintain their health.

Commissioner Heiskell asked how the Commission could help the Department and asked whether the homeless in County parks is an issue, and Ms. Peters responded that it is. She explained that there is a "Compassionate Action Plan" and that the Department works with the Department of Housing and Human Concerns, the Department of Public Works, and Maui Police Department. She added that the Department has 10 park security officer positions (more commonly known as park rangers), who work with issues of homelessness, in addition to regulating commercial ocean activities and illegal vending at parks. She stated that at the start of the new administration, seven of the 10 positions were vacant. The Department of Personnel Services then did a mass recruitment, where individuals could apply, take a test, and interview the same day, and seven candidates are now in the hiring process.

Commissioner Heiskell asked about volunteer efforts around County parks. Deputy Corporation Counsel Sheppard, who is familiar with the Kalama Park volunteer program, stated that it is not an intervention program, but that if a volunteer sees a sprinkler head that is broken or homeless encampments or other unsavory behavior, the volunteer reports it to the Parks Department, which then works to address the issue.

Ms. Peters added that the homeless do reside in parks pavilions or in undeveloped parts of Keopuolani Park, but that the issue is Countywide and much larger issue than that of the Parks Department. The goal of the Compassionate Action Plan task force is to create a plan that will allow time for social services and not simply remove the homeless from an area. If removing homeless from an area is necessary, then there is a process that involves multiple County departments.

Ms. Peters stated that the Department also tries to open up view plains and encourage positive activities in the area. Two positive examples she cited were the Papalaua Park camp area and Keopuolani Park's new disc golf course. With the latter, the County worked in partnership with the local disc golf community to clean up the area and install equipment in undeveloped land at the park.

Ms. Peters also noted the issue with abandoned vehicles, specifically that the Department cannot wait for the normal County abandoned vehicle process to run its course when a vehicle is blocking a park entryway. To address the issue, the Department requested towing fees in its Fiscal Year 2020 budget that can be used to remove vehicles, especially if they are unsafe.

The Commission thanked Ms. Peters for her presentation.

## **VIII. DISCUSS PROCUREMENT OF TECHNICAL WRITER**

County Auditor Lance Taguchi stated that the Technical Writer's contract ends on June 30, 2019. The scope of work for the Technical Writer includes the following: (1) works under the supervision of the Cost of Government Commission chair, (2) provides general administrative support, (3) attends all Commission meetings; (4) prepares an annual report of the Commission's findings and recommendations; (5) drafts summary minutes; and (6) serves as the primary resource person for temporary investigative groups. Minimum qualifications include government experience, experience with personal computers, a general understanding of the Sunshine Law, the ability to work independently with minimal supervision, and legal experience or background preferred but not required.

Mr. Taguchi stated that it is difficult to find individuals with this type of skill set. In Fiscal Year 2019, the Commission's budget was \$24,000, a majority of which went to the Technical Writer. In Fiscal Year 2020, the Commission requested \$30,000, which was transmitted to the Mayor and then put in his proposed budget, and is now before the County Council.

Mr. Taguchi explained that before the establishment of the Office of the County Auditor, the Commission was supported by the Mayor's Office. It evolved over time from a body that functioned more as a "kitchen cabinet" to one that undertook a more investigative function. When the County Auditor position was established, the function of the Cost of Government Commission was a little unclear. Under the Charter, the Commission is advisory to the County Auditor, but separate from the County Auditor. At one point, the Commission decided that it wanted to oversee the County Auditor's Office. Mr. Taguchi resisted this approach because he did not think the Auditor should be under a Commission that does not have the appointment power.

Mr. Taguchi explained that the Technical Writer position allows the Auditor to have minimal involvement with the Commission. In addition, his office does not have the resources to support the work of the Auditor and the Commission. Recognizing that it is difficult to find individuals to support the Commission, he has requested an additional part-time position and this individual could assist with posting agendas and other secretarial-type responsibilities currently done by the Technical Writer.

Mr. Taguchi added that the reason he hesitates to have his office fully staff the Commission is because commissioners are appointed by the Mayor and confirmed by the Council. Every commissioner has some type of background that is not as independent as he would prefer. A Technical Writer allows the Commission to maintain independence from the County Auditor and vice versa.

Vice-Chair Courter asked about the requirement that the Technical Writer attend every meeting, and whether at the discretion of the Commission the individual could attend remotely. Mr. Taguchi responded that as long as the service could be provided (i.e., someone could set up video conferencing), then the Technical Writer would not necessarily have to be physically present. Mr. Taguchi added that there are different aspects to the role of the Technical Writer, who must have administrative skills as well as expertise in writing reports, and requiring these different levels of expertise is one of the primary reasons why few individuals apply for the position.

Commissioner Del Rosario asked whether Mr. Taguchi could post in additional places for more exposure. Mr. Taguchi stated that he posts on the normal procurement site for the State and calls prospective individuals as well, but that he would be open to posting in other places.

Vice-Chair Courter stated that she thought it valuable to have an attorney as the Technical Writer and Commissioner Heiskell agreed. Commissioner Del Rosario noted that the Commission has legal counsel and an attorney commissioner currently. Mr. Taguchi pointed out that the attorney who advises the Commission varies depending on the priorities of the day for Corporation Counsel, noting that the Commission was advised by four different attorneys over the last year. Deputy Corporation Counsel Sheppard added that her office would provide legal review, but would not assist with drafting reports.

Mr. Taguchi stated that the RFP process normally takes about one month, and the procurement process for his office, which falls under the legislative branch, goes through the Council Chair. Commissioner Del Rosario asked about the criteria for evaluating candidates. Mr. Taguchi stated

that he looks at the information requested, but does not necessarily conduct interviews. Price is also a consideration. He works with the Commission Chair to finalize the hiring decision.

Mr. Taguchi confirmed that the Commission is comfortable with the legal requirement and the three-year contract term.

## **IX. DISCUSS 2018 – 2019 ANNUAL REPORT**

Ms. Pellegrino stated that the Commission is required by Charter to submit an annual report to the Mayor and Council Chair. She explained that in 2017, the Commission decided that it did not want its investigations to be bound by the Commission term because some investigations take longer than others and might extend longer than a single term. As such, the Commission decided that it would continue to issue an annual report, but also issue separate reports on discrete topics as the investigations, findings, and recommendations were completed.

In November 2018, the Commission issued a report on compliance losses and risk management, as well as its annual report for the 2017 – 2018 term. It did not issue an annual report for the 2018 – 2019 term, which ended on March 31, 2019. Ms. Pellegrino stated that the former Commission chair provided her with a draft two-page report prior to the end of his tenure, which she will review and edit prior to transmitting to the Commission for its review.

Ms. Pellegrino recommended that the Commission start its annual report process sooner so that it can complete its report prior to the end of the Commission term.

## **X. DISCUSS CURRENT TOPICS UNDER REVIEW**

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

Commissioner Mattson provided a brief summary of her investigation to date. She stated that she has been reviewing grant reports, the structure of MVB and its relationship to the Hawaii Tourism Authority (HTA), and how the grant money is being spent, to the extent that information is available. She stated that under the previous Administration, she had difficulty obtaining information from the Office of Economic Development (OED). She also explained that as compared with Maui County which provides \$4 million in grant funds to the Maui Visitors' Bureau, the City and County of Honolulu provides no funding, Kauai provides \$215,000, and the Big Island provides \$325,000 to its respective visitor bureaus.

Chair Mattson stated that her questions stem from how the grant money is being spent. The reports highlight the budget details, but not the spending details. Commissioner Del Rosario interjected that she could provide Commissioner Mattson with information based on a County Council letter to MVB requesting actual expenditure figures. MVB responded in writing with the information requested, and the information is available online. Commissioner Del Rosario added that the Council is considering reducing MVB's grant.

Commissioner Mattson then explained that there appears to be a duplication of efforts between what MVB does and what HTA does.

Vice-Chair Courter asked whether there was a way to determine what the measurable impact is to Maui County with these grant funds. Commissioner Del Rosario stated that there is a shift from generating tourism to managing tourism, and that it is more difficult to measure tourism's impact on island resources than taking a visitor count.

Commissioner Mattson noted that most of MVB-sponsored events (golf and basketball tournaments, wine festival) are not “cultural” in nature. She added that there continues to be a large amount of money spent on print advertising and a warehouse where MVB keeps its collateral, but she is still investigating why.

**XI. CONSIDER POTENTIAL NEW TOPICS TO REVIEW**

Vice-Chair Courter noted that two potential topics to review are the Waiehu Golf Course and the dearth of County employee parking. She also suggested dividing up some of the work Commissioner Mattson had done to date. She asked the commissioners to bring some ideas to the next meeting.

**XII. ELECTION OF CHAIR AND VICE CHAIR FOR THE 2019 – 2020 COMMISSION TERM**

Commissioner Simmons nominated Sharron Courter for Commission chair, and Commissioner Heiskell seconded the motion. The motion was approved unanimously. Vice-Chair Courter nominated Commissioner Heiskell for Commission vice chair, and Commissioner Mattson seconded the motion. The motion was approved unanimously.

**XIII. DETERMINE NEXT MEETING DATE AND AGENDA**

The next meeting is scheduled for Thursday, May 9, 2019, at 10:15 a.m.

**XIV. ADJOURNMENT**

The meeting adjourned at 12:20 p.m.