

**COST OF GOVERNMENT COMMISSION
MINUTES
Via BlueJeans Videoconference
Thursday, April 8, 2021**

PRESENT: Michael Williams, Chair
Michelle Del Rosario, Vice-chair
Paula Heiskell, Member (arr. at 10:05)
Lu Ann Lankford-Faborito, Member
Patrick O’Neil, Member
Susan Pu, Member
Sarah Simmons, Member

EXCUSED: Noemi Barbadillo, Member

STAFF: Keola Whittaker, Deputy Corporation Counsel
Shelley Pellegrino, Technical Writer for the Commission
Lance Taguchi, County Auditor

ADMIN. Darlene Endrina, Community Liaison, Office of the Mayor

OTHER: Jen Russo

DOCUMENTS RECEIVED:

Minutes

- Draft March 11, 2021 Meeting Minutes

Informational Documents Related to COVID-19 and Open Meetings

- Governor’s COVID-19 Eighteenth Supplemental Proclamation (February 12, 2021)

Correspondence

- March 22, 2021 Memorandum from Maui County Charter Commission Regarding “Request for Submittal of Proposed Charter Amendments and/or Recommendations”

Update on Fiscal Year 2022 Budget for Cost of Government Commission

- Mayor’s Budget Proposal for Fiscal Year 2022, Office of the County Auditor (pp. 118–121)

Visitor Accommodations — Policy Options for Management

- TIG Update — Managing Tourism by Managing Visitor Accommodations: Policy Options for the County Council to Consider

Information Technology Issues

- Strengthening the County of Maui’s Technology Infrastructure

Proposed Charter Amendments or Recommendations

- Draft Memorandum to Charter Commission Discussing Proposed Charter Amendments and Recommendations

I. CALL MEETING TO ORDER

Chair Williams called the meeting to order at 10:01 a.m.

II. ROLL CALL

Chair Williams took roll. Commissioners Lankford-Faborito, O'Neil, Pu, Simmons, Vice-Chair Del Rosario, and Chair Williams were present. [Commissioner Heiskell arrived at approximately 10:17 a.m.] Commissioner Barbadillo was excused. There is one vacancy due to the recent resignation of Commissioner Hannah Werth.

III. PUBLIC TESTIMONY

There was no public testimony.

IV. REVIEW CORRESPONDENCE RECEIVED

- March 22, 2021 Memorandum from Maui County Charter Commission Regarding "Request for Submittal of Proposed Charter Amendments and/or Recommendations"

The Commission deferred discussion until Section X.E. of the agenda.

Commissioner Heiskell arrived at approximately 10:05 a.m.

V. REVIEW AND APPROVE MARCH 8, 2021 MEETING MINUTES

Commissioner O'Neil moved to approve the March 8, 2021 meeting minutes, and Vice-Chair Del Rosario seconded the motion. There was no discussion. The motion was approved 7-0.

VI. COUNTY AUDITOR'S UPDATE

County Auditor Lance Taguchi had no update.

VII. UPDATE ON FISCAL YEAR 2022 BUDGET FOR COST OF GOVERNMENT COMMISSION

- Document to Review
 1. Mayor's Budget Proposal for Fiscal Year 2022, Office of the County Auditor (pp. 118–121)

Chair Williams stated that he provided testimony before the Budget, Finance, and Economic Development (BFED) Committee on Monday, April 5 regarding the Cost of Government Commission budget (which is part of the Office of the County Auditor's budget). Chair Williams explained why the Commission requested a \$20,000 increase. He noted that the only question he received was from Councilmember King, who asked if

the \$20,000 was already in the Mayor's proposed budget, and Chair Williams responded that it was.

County Auditor Lance Taguchi stated that the Auditor's Office received the request to appear before the BFED Committee on short notice. Mr. Taguchi explained that he asked the BFED Committee members if they needed more information regarding the Commission's request for a budget increase and, if so, he would ask the Commission to put their answers in writing.

Mr. Taguchi then stated that he had received a letter asking what programs or activities his Office might consider cutting if the Council requested an 11% reduction in programs and activities funded by the General Fund. Mr. Taguchi noted that the Auditor's Office is funded by the General Fund. Mr. Taguchi informed the Council that he would respond to the Committee in writing later because he had not had time to think through the question. In addition, the magnitude of an 11% cut on a small program such as the Auditor's Office is a large cut.

Mr. Taguchi stated that he forwarded the letter to Chair Williams to determine whether the Commission would like to respond in more detail in writing. Mr. Taguchi added that the budget process moved quickly and that decision-making would be on April 19. He asked whether the Commission wanted to respond in writing. He added that he had not yet determined where the proposed 11% cut from his office would be.

Mr. Taguchi asked the Commission where it would like to cut \$5,000 from its budget. He speculated that it might be from the Commission's proposal to post litigation matters to the County website. Chair Williams agreed with Mr. Taguchi regarding the potential \$5,000 reduction. Chair Williams added that he had spoken with Councilmember Molina and that he would support the Commission's budget request.

Chair Williams stated that the Commission might want to answer the letter by April 19, and asked permission to work with Mr. Taguchi to respond.

Vice-Chair Del Rosario moved to authorize Chair Williams to work with the County Auditor on a response to the letter regarding budget decreases, and Commissioner O'Neil seconded the motion. There was no discussion. The motion was approved 7-0.

VIII. UPDATE ON COST OF GOVERNMENT COMMISSION ANNUAL REPORT

Chair Williams stated that he had completed a draft of the annual report annual report and is waiting to see whether any investigative reports will be completed soon. He hopes to finalize the annual report at the next meeting.

IX. TEMPORARY INVESTIGATIVE GROUP (TIG) UPDATES

A. Visitor Accommodations — Policy Options for Management (Chair Williams and Commissioner Barbadillo)

- Document to Review

Managing Tourism by Managing Visitor Accommodations: Policy Options for the County Council to Consider

Chair Williams shared a draft update of his investigation to date. He stated that he cannot finalize the report until he receives some data from the Real Property Tax Assessment Division regarding (1) the exact number of condominiums in the hotel zone that can operate as short-term rentals, and (2) condominiums that are in the apartment zone, but allowed to operate as legal short-term rentals because of the Minatoya decision that grandfathered them in if the condos were built before 1992. Chair Williams stated that he does not want to finalize the report until he has an exact count. He added that he is also still working on the bedroom count of all owner-occupied and non-owner-occupied homes.

Vice-Chair Del Rosario noted that Councilmember King is posting for the April 16, 2021 Council agenda for referral to committee a bill to create a moratorium on new visitor accommodations being constructed in Maui County until the visitor ratio reaches the County Plan numbers of 33%.

Chair Williams added that the most recent controversial expansion is at the Maui Coast Hotel in Kihei, where 173 new rooms are proposed. Vice-Chair Del Rosario added that part of the controversy stems from the proposal that the rooms will be in a six-story tower.

B. Capital Improvement Project Budgets of Department of Water Supply and Department of Environmental Management (Chair Williams, Vice-Chair Del Rosario, Commissioner O'Neill)

Chair Williams stated that the TIG had no update.

C. Wildfire Costs and Responsibility of Private Landowners (Commissioner Heiskell, Commissioner O'Neill)

Commissioner O'Neil stated that he has a rough draft and is still waiting for some safety information to complete his report.

D. Homelessness Issues in Maui County (Commissioner Lankford-Faborito, Chair Williams)

Chair Williams asked whether any other commissioner wanted to join the TIG because Commissioner Werth had resigned from the Commission. In the meantime, he and Commissioner Lankford-Faborito were continuing to meet and share information.

Chair Williams added that the Hawaii Community Assets Affordable Housing Plan will have a homelessness section. There is also a newly formed Maui County Commission on Healing Solutions to Homelessness.

E. County Road Safety (Commissioner Pu, Commissioner Heiskell)

Chair Williams noted that the County Auditor had previously done an audit on County roads, which provided useful background information. Commissioner Pu stated that she is still reviewing the audit. She added that she had spoken with Dawn Lono and she would be meeting with Councilmember Sinenci as well. She also invited Councilmember Sinenci to the Commission's meeting in May.

Commissioner Pu added that she has a number of concerns about the condition of Hana Highway and the number of people who are traveling on it. She is interested in learning the number of visitors traveling to Hana, the average length of stay, and how many people are actually using the road now in proportion to the number of visitors on the island. Commissioner Pu stated that in the last month, Hana has been crawling with people and the impact on infrastructure needs to be addressed. Other issues the TIG would like to address include road resurfacing, highway safety, bridge structural integrity, night driving, signage, encroachment from the "jungle," enforcement, crowding at scenic area overlooks, drainage/culverts, watershed, and flash flooding.

Mr. Taguchi clarified that his audit report addresses County roadway systems and maintenance issues, but does not include Hana Highway because it is managed by the State Department of Transportation. Commissioner Pu pointed out that the County road begins in Hana and goes to Kipahulu, which is particularly unsafe. She added that there are jurisdictional issues that leads to questions about who should take care of the road.

X. INVESTIGATION (NON-TIG) UPDATES

A. Private Financing of the Wailuku Parking Garage Via Opportunity Zones (Chair Williams)

Chair Williams explained that nothing further will happen until after the Council completes its budget review.

B. Information Technology Issues (Commissioner Simmons)

- Document to Review

1. Strengthening the County of Maui's Technology Infrastructure

Commissioner Simmons stated that she wants to ensure that the proposal to create a separate IT Department is sent to the Charter Commission. She suggested that perhaps the report be separated so that part of it can be included in the Commission's annual report and part of it can be sent to the Charter Commission.

Chair Williams stated that he like the idea of requesting that the Charter Commission consider a separate IT Department. If the Commission agreed, then the recommendation could be sent in a separate letter to the Charter Commission.

C. Access to Public Documents Filed in County Litigation (Chair Williams)

Chair Williams explained that the Department of the Corporation Counsel had taken two steps to move the idea forward. First, it has posted a list of all litigation matters on its website. Second, the Department has offered to tell the Commission which litigation matters are significant so that the Commission can use the public access databases through the court systems to pull the documents and make them available to the public. Chair Williams added that the Commission has received approval from Council Chair Lee to host the database and has requested a budget increase of \$10,000 for this purpose. If the Commission receives the money, it might want to hire a part-time paralegal to populate the database.

D. County Real Property Tax Policies Regarding Agricultural Lands (Chair Williams)

Chair Williams reported that he had no update to provide.

E. Proposed Charter Amendments or Recommendations

- Document to Review

1. Draft Memorandum to Charter Commission Discussing Proposed Charter Amendments and Recommendations

Chair Williams stated that Ms. Pellegrino had assisted with researching and drafting proposed recommendations to send to the Charter Commission. Chair Williams stated that he would like the Commission to review the draft and provide comments prior to the next meeting.

F. County of Maui COVID Vaccination Plan (Commissioner O'Neil)

Commissioner O'Neil stated that now that everyone who is eligible has access to vaccines, he asked that the matter be removed from the Commission's agenda.

XI. DISCUSS OTHER POTENTIAL TOPICS TO REVIEW AND ESTABLISHMENT OF TEMPORARY INVESTIGATIVE GROUPS (TIGS)

Discussion and possible action regarding the establishment of Temporary Investigative Groups (TIGs) to review and investigate the below listed subjects, appointment of members, and setting of the parameters and scope of the investigation and review.

There was no discussion of new topics.

XII. DETERMINE NEXT MEETING DATE AND AGENDA

The next meeting is scheduled for Thursday, May 13, 2021, at 10:00 a.m. via BlueJeans teleconference.

XIII. ADJOURNMENT

The meeting adjourned at 10:53 a.m.