

**COST OF GOVERNMENT COMMISSION
County of Hawai'i**

MINUTES

August 17, 2006 – 10:00 a.m.

Department of Liquor Control – Conference Room
101 Aupuni Street, Suite 230
Hilo, Hawai'i 96720

Commission members present: Myles Y. Miyasato, Chair
Wayne T. Joseph, Vice Chair
Marilyn L. Nicholson, Commissioner
Patricia Provalenko, Commissioner
Melvyn K. Sakaguchi, Commissioner
Barbara R. Stremski

Also present: Chris Yuen, Planning Director
Katherine A. Garson, Deputy Corporation Counsel
Mary E. Crosson, Secretary
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1. CALL TO ORDER

The Chair called the meeting to order at 10:00 a.m.

2. APPROVAL OF MINUTES FROM AUGUST 3, 2006 MEETING

Motion and Vote: Ms. Nicholson moved to accept and file the minutes, Ms. Provalenko seconded the motion, and all members voted aye.

3. STATEMENTS FROM THE PUBLIC

There were no members of the public present.

4. APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA

There was no addendum or supplemental agenda.

5. PRESENTATION AND QUESTION/ANSWER SESSION BY THE PLANNING DEPARTMENT

Chris Yuen, the Planning Director, introduced himself and thanked the commissioners for volunteering their services to help the County.

Mr. Yuen explained that the Planning Department is involved in land use regulations and planning. Much of the work is reviewing building permit applications for compliance with the

zoning laws, which includes looking at heights, setbacks, and the proposed use of buildings. The Department also processes applications for rezonings, special permits, and other kinds of permits and approvals. The actual planning side of the Department, which involves whether new communities should be allowed to be developed, has been given “short shrift” over the years.

Mr. Yuen said the Department has been adding more positions to keep up with work. Due to great increases in business activity and construction, more people were needed to process permits. In 1998, the County processed about 800 new resident building permits. Last year, the County processed over 3,000.

When Mr. Yuen started with the Department in December 2000, he felt there were certain duties it should not be doing, and he asked the staff to help identify these areas. Each time they identified something they should not need to do, he would go to the Council to try to have the law changed. An example was with the Zoning Code, which said that every structure in a Resort Zone or Multi-Family Zone needed plan approval. Plan approval comes before the building permit approval. For commercial buildings this procedure made sense, as it involved checking out the parking lot, layout, etc. However, primarily in West Hawai‘i, many single-family dwellings were going up on land zoned Resort. Hotels were also being converted into luxury homes. The Department was receiving dozens of plan approvals for single-family homes, which meant a separate stage of work prior to the building approval stage. This was frustrating, because plan approvals required looking at the same issues as the building approvals. So he went to the Council and got the law changed. This is saving about one day a week of work in the Kona office.

Mr. Yuen explained that there was also a problem involving setbacks. If a setback was violated, a variance was required to fix it. The process ideally would take about a month and a half, but it usually took longer. Some of the discrepancies in the setback were small, a matter of inches. So he went to the Council to propose a *de minimis* variance, wherein if the setback was within a tolerance of a few inches, a letter could be written rather than processing a variance, and it would be considered legal.

Another example of trying to change the law to be more efficient is with the Subdivision Code. Over the past 30 years, the Planning Department’s procedure in dealing with subdivisions evolved. However, they were challenged recently in court because of a Kona subdivision which did not meet with the strict letter of the law. This challenge caused the County’s procedure in doing subdivisions to suddenly be under significant doubt, and would possibly require them to redo a large group that had already been processed through. He expressed his thanks to the Council for passing changes allowing them to operate in a more practical manner.

Another area in which the Planning Department has tried to be more efficient is in computer automation. Mr. Yuen said that when he started with the Department, the most basic information on a piece of property, as well as any changes to it, was written on paper tax maps held in large binders. The Department has since gone to a complete geographic information system so that all basic land use information is now available at computer terminals. They still have many records that can only be found by looking through physical files, but they are working on a more comprehensive electronic data and record-keeping system.

Mr. Yuen said he would be happy to answer any questions or take suggestions.

The Chair asked Mr. Yuen if he could run through the questions listed on the agenda. Mr. Yuen said he believed he had already answered the questions in a letter of response to the COGC, and he would like to follow up on that response with more specifics. He said that the main change that should be looked at for his Department would be in consolidating the review of building permits.

Currently both the Planning Department and the Building Division of the Department of Public Works review building permit applications, though for different things. Planning looks at the use of the building, the setbacks, and the height. The Building Division is concerned with the structure and function of a building. Mr. Yuen said he is not fully aware of what else the Building Division looks at with the permit applications. He said one person could be cross-trained to review most of these applications. As the system works currently, there is a delay in the basic processing. If someone leaves an application with the Planning Department, it will go into a stack for review. After Planning reviews the application, it gets turned over to the Building Division. In addition, the State Department of Health also has to review it. Mr. Yuen said he believes one person could be cross-trained to review applications for all the areas in which the County is responsible, and this would be more timely and efficient.

Mr. Sakaguchi asked whether Mr. Yuen was suggesting the function be taken out of the Building Division, the Planning Department, or placed into another entity altogether. Mr. Yuen said it could be done either in the Building Division or the Planning Department. He would like to know what the Public Works Department would think about it. Changing the procedure this way may not require a change in ordinance, but it would require a change in job description, as well as some organizational change. Mr. Yuen said this was his major response to the COGC's question about consolidating functions.

Mr. Yuen said there are other issues involving consolidation, but they are very big-picture issues, particularly the State Land Use Commission. Major projects go through the State LUC to change boundaries, and then come before the counties for rezoning. There have been discussions about getting rid of the LUC, but he feels it is too big of an issue to deal with at this time, as it plays into overall concerns people have over land use development and deals with controversial issues on a state-wide level. However, from the standpoint of efficiency, between the State LUC and the counties, there are multiple people duplicating services and functions.

Mr. Joseph said that if there are two bodies looking over an application, it could serve as a checks and balance. Mr. Yuen said there are arguments in favor of keeping the LUC, but he believes the gradual consensus is that the LUC has gotten too detail-oriented and should be looking at overall land use patterns and leaving the rest to the counties. He said he is not advocating abolishing the LUC, but it needs to function better.

Mr. Sakaguchi asked how Mr. Yuen decides on what software to use in computerizing records, and whether he looks at what other jurisdictions are doing. Mr. Yuen said he will be requesting in the next budget to hire an information specialist consultant. He said most of the documents his Department receives now come in electronic format, such as rezoning applications, which come on disks. Having everything computerized would not only be more efficient, but documents could also be made available to the public on-line.

Mr. Sakaguchi asked whether Mr. Yuen would be buying a computer package used by someone else, or whether the system would be developed from scratch. Mr. Yuen said he is

always for buying something that is already available. However, it would also be good if they could use the services of someone who already knows and understands the Planning Department, but that means pulling that person from his/her regular duties to some extent.

Mr. Sakaguchi asked whether Mr. Yuen would want a centralized computer information office or person, as each department seems to have a different computer system. Mr. Yuen said the Department has worked closely with Data Systems, which helped a great deal. He does not have an opinion about whether the County should have an information management specialist within Data or within the Department. He feels either way would work.

Ms. Nicholson asked Mr. Yuen about how much personnel his Department has, whether there are unfilled positions, whether he has a hard time recruiting, and whether there are personnel problems. Mr. Yuen apologized that he does not have the numbers in his head, but they currently have about 37 to 38 bodies. They have several vacant positions. Five to six positions were added during the recent budget cycle, and they are in the process of writing position descriptions and then they can fill them. Hiring has been up and down. Some recruitments end up with very few people on the list, but more recently there were several well qualified people on the list. In West Hawai'i, they have a lot of trouble hiring. Most people want to work on the Hilo side due to the cost of living and housing problems in Kona.

Ms. Nicholson asked whether the Planning Department sends people to Kona or incurs overtime. Mr. Yuen said they used to do so three years ago. Lately, however, when work gets piled up in Kona, people will take boxes of work back to Hilo to work on, as both sides perform similar functions.

Ms. Nicholson asked how Mr. Yuen felt about moving employees to a four-day work week, or being open on Saturdays to accommodate the community. Mr. Yuen said he has been open to flexible time for employees. Some employees have been allowed to work odd hours to accommodate personal or family situations. He feels the Civil Service system should afford managers and departments flexibility in allowing things like the four-day work week, or letting people work on a Saturday to reach their 40 hours. As long as there is a way of supervising these employees so they are productive, this should be allowed. Mr. Yuen did not feel being open on Saturdays was necessary, as most people drop off the work.

Mr. Sakaguchi asked whether Mr. Yuen currently had the flexibility to provide his staff the opportunity to work four days per week, and Mr. Yuen said he was not sure, but he thought so. If an employee wants to work hours like that, he is open to it. He believes on the whole it would work out.

Ms. Nicholson asked how Mr. Yuen felt on the issue of splitting the County into two counties, and for his thoughts on whether that would be more efficient and the cost implications. Mr. Yuen said he is completely against it. It is better to have one government for the island. The resorts in South Kohala could not operate without the workers who come in from other areas of the island, and they deserve to have some of the property taxes generated by the hotels benefit their communities as well. He agrees that the current setup is not right in all respects and that more functions need to be moved to the west side. There needs to be more power and decision-making that can be done in West Hawai'i, as the decision-makers are largely centered in Hilo. From the planning point of view, splitting the County would also create many boundary issues.

A zoning decision could be made on one side of the boundary that would affect people on the other side. From his overall philosophy and perspective, he is against splitting the County.

Ms. Nicholson asked Mr. Yuen whether he has a deputy or employee in Kona who handles issues there, or whether he needs to go to Kona himself. Mr. Yuen said he had to admit that he lets too many issues get sent up to his level. The high level decisions are made mostly by him or his deputy. The West Hawai'i office mostly does administrative work with permits, as well as work on the Kailua Village Design. When he started, he wanted Kona to be able to handle rezoning applications and make recommendations. However, when they fell too far behind on the building permits, he had to pull them out of the other functions.

Ms. Nicholson asked whether there are recommendations Mr. Yuen would like to see the COGC put forth in regard to West Hawai'i. Mr. Yuen said some of the necessary things are already in the works, such as the County Civic Center project in Kealakehe, which will be a central building to house all the County functions. Just having the space for people to work is a big issue. He said he does not have County-level suggestions, but as for his Department, he would like more functions to be able to be handled out of West Hawai'i.

Mr. Sakaguchi said the issue of the construction of office buildings frequently comes up and asked Mr. Yuen whether he is a planner. Mr. Yuen said he is an attorney and was always involved in land use planning before he became Director of Planning.

Mr. Sakaguchi asked Mr. Yuen for his opinion on whether the County should lease office facilities or build. Mr. Yuen felt that government buildings should not simply be space for people to have their desks. They should be designed so that people can come together and interact, which would be easier if the County were to design and own the building. He said that the old County Building at 25 Aupuni Street, as well as the State Capitol Building in Honolulu, are terrific buildings for fostering action among people because of the central walk areas and railing areas. In the new County Building at Aupuni Center, there are separate entrances and he rarely runs into his peers passing by. He agreed that leasing would give some flexibility, but it is not good to wind up with County offices in different locations, as the people and departments need to interact with each other.

Mr. Sakaguchi said that the island has terrible cell phone coverage and that many people blame the Planning Department for not approving towers. Since the Public Safety Department has communication coverage over the whole island, he asked Mr. Yuen whether commercial cable companies could lease or utilize whatever the Police Department uses. Mr. Yuen said that as background on this issue, his Department originally allowed cell phone towers without a special permit. The Supreme Court said this was wrong, so now special permits are required. People have issues with the aesthetics, but it would be unusual for the Department to deny a permit for that reason. He would have to look at the Police Department's special permit to see if companies could lease space on the tower.

Mr. Sakaguchi commented that the County has a problem with decisions being made by departments which are narrowly focused on their own special functions and do not take into consideration the public's interest. Mr. Yuen said that his Department takes a broad look at issues. Because it has regulatory functions, it is involved with cell towers, which need permits to use agricultural land. The Mayor's Office has supervision over all departments, and he does not know how the Police Department feels about leasing its tower.

Mr. Sakaguchi said that the Planning Department is focused on how the land is used and does not look at social or public safety issues. Mr. Yuen said those issues are tied in. However, the only tools in their toolkit are land use tools. The levers his Department gets to pull are approving or denying rezoning and special permit applications. People can be encouraged to do certain things, but the real powers his Department has are in land use control. They do have to keep in mind how the quality of life, crime, and parks, etc., will be affected by their decisions, as these are all consequences of land use decisions.

Mr. Joseph asked how the Planning Commission interacts with the Planning Department. Mr. Yuen explained that the Commission is an independent group that makes certain land use decisions and recommendations on certain issues for the County Council. The Commission has the final say on some types of permits, such as non-agricultural use of agricultural land, and they make recommendations to the Council on rezoning. The Department will do all the work-up on a permit and make a recommendation to the Commission. The Department will study the road system, the water, and archeological sites, put the information together in a package, and make a recommendation to the Commission. The Commission is independent and can support or not support the Department's recommendation.

Mr. Joseph asked if he could assume that the Commission is the voice of the public. Mr. Yuen said the Commission is comprised of nine lay people from the different island districts, and they are appointed by the Mayor. They are selected to bring the independent judgment of a group of solid citizens to the land use applications and issues. So although they represent the public, the commissioners are not simply to be swayed by public opinion. The commissioners have varied backgrounds, and the workload can get quite heavy. They meet twice per month and usually take the full day. They also have to read a lot of materials beforehand.

The Chair asked how involved the Planning Department is with State Highways Division. Mr. Yuen said the State's function is to come up with a state-wide traffic improvement program, and to have a funding list years in advance of projects for federal funding. His Department has a liaison into that, but there are a lot of other players.

The Chair asked whether overpasses on the Big Island would be more efficient or too costly. Mr. Yuen said at one time they were considered for the Queen Kaahumanu Highway, but he does not believe it is in the plans for any time in the near future.

The Chair asked whether an overpass coming down the three intersections in Kona would meet with the Planning Department's approval, or whether the County would play a part. Mr. Yuen said it would probably be a State issue. If the State wanted to build a new road in a Special Management Area along the shoreline, it would need to get a Special Management Area permit. If it just wanted to resurface a road, no permit would be needed. If an area is not in the Special Management Area, then a road is generally a permitted use under land use regulations, and the State could build and widen a road without the County's involvement. If the State wants to make a road through undeveloped property, the County would routinely approve it. Because the Henry Street intersection is outside of the Special Management Area, the State could do the project without the Planning Department getting involved.

The Chair asked about the different levels of approval in the building permit process. Mr. Yuen used a home building permit application as an example. The Planning Department looks at it first and checks to see that the area is zoned for a home. Then the height and setback

are checked. If everything is okay, Planning signs off and the application goes to the Building Division, which examines the structure of the home. From there it goes to the Department of Health, which will check on whether there is to be sewer hook-up or if a cesspool or septic system is allowed. So there are different people with different functions looking at the same application. The Department of Health picks up the application from either the Building Division or the Planning Department once or twice a week, works on it, and brings it back. People who are in a hurry will walk an application through. He apologized that he does not know all the physical mechanics involved in the process.

The Chair commented that the website available to the public with tax map key information is not very useful, as it is hard to read the information. Mr. Yuen agreed and said his Department has a \$5 CD available to the public, which has all the tax maps, zoning, and basic land use information on it. He would like to have all this information available on-line some day.

The Chair asked if an objective of the Department is to do the permit processing on-line. Mr. Yuen said applications could be submitted on-line or with a diskette, but if the case goes to the Planning Commission, there would still need to be a hearing with bodies present.

The Chair asked Mr. Yuen to explain his earlier recommendation on cross-training inspectors. Mr. Yuen said if the COGC was looking at consolidating functions, it would be worth exploring. The bulk of the work, however, is in the Building Division, making a building inspector the likeliest candidate to cross-train. What a building inspector does is far more complicated than what a Planning employee does. Mr. Yuen clarified that he is not recommending that this cross-training or consolidation happen, but that it be explored. Also, if an employee were cross-trained, he/she would need to know when a case is a special situation that needs to be kicked back over to Planning to deal with. However, in more than 90% of the applications, there are only four to five things to look at.

Mr. Joseph asked whether there was ever an incident where an application was returned to the Planning Department because something was not done properly. Mr. Yuen said he was not aware of this happening, but he would hope that if the Building Division person saw that Planning did something wrong, it would get sent back to Planning. He hoped that County employees would flag things that are wrong, even if it were not their direct responsibility to do so.

Mr. Sakaguchi said that if nothing gets kicked back to Planning, then perhaps its review is so routine that it is not substantive. Mr. Yuen said that as the laws are currently, somebody has to check the setbacks, the height, and the use. There are cases where the Planning Department finds errors and rejects applications. There are also some gray areas where they have an enforcement function, such as with a building permit application for a house plan which is obviously set up to become a duplex. It is the Planning Department that would check this, not the Building Division. Review of applications is not pro forma or a meaningless activity. However, much of the work could be done by one person rather than two.

After no further questions, Mr. Yuen thanked the Commission and left at 11:15 a.m.

(A recess was called, from 11:15 a.m. to 11:22 a.m., at which time the Chair called the meeting back to order.)

The Chair asked for discussion or recommendations regarding the Planning Department.

Motion: Ms. Nicholson moved to add to their recommendations that the Planning Department and Building Divisions explore consolidating the review of building permits. Ms. Stremski seconded the motion.

Discussion: Mr. Joseph said he would have a hard time recommending this, as he felt that having both review applications created a checks and balance. If only one employee were doing the review, the odds of making a mistake, or the possibility of abuse, would run a higher risk. He felt sure there have been instances of applications being returned to Planning because something was not checked off or reviewed properly, as there is always human error.

Mr. Sakaguchi said he felt the system needed to be expedited and that the person reviewing applications should be held responsible for errors. If having checks and balances is to be a concern, there will always be more than one agency doing the same thing, causing multiple layers of review. Mr. Joseph said an employee might be more accurate if he/she knew somebody else would review their work.

The Chair questioned whether Ms. Nicholson's motion tracked the wording in Mr. Yuen's response letter to the COGC, which was to explore consolidating the review of "common residential building permits." Ms. Nicholson said she did not stipulate that, because the recommendation was to explore consolidating. She felt she did not know enough to stipulate which permit applications should be consolidated and which should not. She would rather be broad.

The Chair called for a vote.

Vote: All members voted aye except for Mr. Joseph, who was opposed to the motion. The motion passed.

Ms. Nicholson said Mr. Yuen mentioned several times that he felt West Hawai'i needed to be able to handle more Planning functions and responsibilities. He was not very specific on what he really meant, and she did not know if there was a motion to be made or not.

Motion: Mr. Sakaguchi moved to add to their recommendations that the County and State explore the feasibility of having the State Land Use Commission transfer some of its responsibilities to the County Planning Department. Ms. Nicholson seconded the motion.

Discussion: Mr. Sakaguchi said that although it is a big can of worms, he would like to see the LUC's land use classification function transferred to County control. He said he believes in home rule and likened it to the County taking over control of the State roads.

Ms. Nicholson said she does not know enough about the matter to make that judgment. She believes there is some value in having checks and balances. Because the County is political, and department heads are appointed by the mayor, a situation could occur where a department head has a point of view which is not reflective of the public.

Mr. Sakaguchi said the State LUC is very political as well, but there is still a duplication of functions. He said that in terms of checks and balances, there is always the court.

The Chair said he would not support the motion, as it would involve every island and the governor and was too big to look at.

Mr. Sakaguchi said he felt it was the COGC's responsibility to make recommendations to check out whether things are feasible or possible or make sense. However, he said a benefit of the COGC is that it can make seemingly outrageous recommendations which nobody else would want to make.

The Chair called for a vote.

Vote: Mr. Sakaguchi voted aye. All other members were opposed. The motion did not pass.

Motion: Mr. Sakaguchi moved for the COGC to recommend, for the future, that when mayors appoint department heads, measures are taken to ensure the candidates have some professional background appropriate to the department. Ms. Stremski seconded the motion.

Discussion: Mr. Sakaguchi said he felt that Mr. Yuen did not have much planning background and did not seem to know what was going on in his Department. The Chair said that Mr. Yuen has vast knowledge of the island and knows the background of each district. Mr. Sakaguchi said that Mr. Yuen is not a good manager and does not know how the essential procedures within his Department work. The Chair said it is not Mr. Yuen's obligation to manage each individual in the Department, as his position is more broad-range and includes enforcing the General Plan of the island and making bigger decisions. The deputy director is more responsible for personnel matters.

Ms. Stremski said she agrees that Mr. Yuen is articulate and intelligent, but she seconded the motion because some departments seemed to have directors who were not knowledgeable in the area of their department.

Ms. Provalenko stated that a mayor may not have a vast array of qualified people to pick and choose from, and Ms. Nicholson said she would have a hard time believing that a mayor would appoint someone who he did not feel was qualified. However, the motion on the table is so broad, and she has enough faith in government, that she believes whoever is mayor will appoint people he believes are qualified.

Ms. Garson said that in the County Charter, there are some positions which have specific requirements, such as being engineers in the Public Works and Water Supply Departments, as well as being attorneys for the Corporation Counsel's office. She does not know of other requirements or qualifications, but she offered to get that information for the commissioners.

Ms. Nicholson said it would be good to discuss later whether they should recommend that the Charter specify qualifications for each department head, with a regular review of those qualifications.

Motion Withdrawn: Mr. Sakaguchi withdrew his motion, with the understanding that at some point the issue would be added to the agenda for discussion. Ms. Stremski withdrew her second.

Motion: Mr. Sakaguchi moved for the COGC to recommend that the Planning Department give high priority to moving forward on its computerization plans for records and on-line services. Ms. Stremski seconded the motion.

Discussion: The Chair said that it is really the hiring of a consultant or information specialist which needs to happen first.

Vote: All members voted aye. The motion passed.

6. DISCUSSION/ACTION ON DEPARTMENT OF CIVIL SERVICE RESPONSE TO THE COMMISSION'S LETTER DATED APRIL 10, 2006

Ms. Garson apologized, as this agenda item was to be deferred until the COGC meets with a representative of the Civil Service Department.

7. DISCUSSION/ACTION ON PENSION BOARD RESPONSE TO THE COMMISSION'S LETTER DATED APRIL 10, 2006

Ms. Nicholson noted that the Pension Board came up with some specific recommendations, including reducing the number of its members. She wondered who the COGC should make a recommendation to on this, and Ms. Garson explained that the Board is established either via the Charter or the Code, so it would take a revision of one of those. The COGC could make a recommendation to the Mayor.

Motion: Ms. Nicholson moved for the COGC to recommend studying the number of people that would be most effective to serve on the Pension Board. Ms. Provalenko seconded the motion.

Discussion: Ms. Garson explained that she has only a limited understanding of the Pension Board. Some County employees get their pensions through the County rather than through the Employees Retirement System, depending on whether they were hired before a certain date. Very few employees go through the Pension Board process. She offered to do research.

Mr. Joseph asked Ms. Nicholson to clarify her motion. She said it is for the Mayor to examine the appropriate number of people to serve on the Pension Board. Mr. Joseph said the COGC is not in a position to make any recommendation on this Board at this point, as they do not know why it has seven members.

Mr. Sakaguchi said the motion is just to say that the COGC heard the recommendation, does not know how to act on it, but will pass the idea on to the Mayor.

Vote: All members voted in favor of the motion. The motion passed.

Motion and Vote: Mr. Sakaguchi moved to accept and file the Pension Board's response, Ms. Stremski seconded the motion, and all members voted aye. The motion passed.

8. DISCUSSION ON LIST OF COUNTY-OWNED VEHICLES

Mr. Sakaguchi said he was unable to determine how many County employees there are, but there are 900 vehicles. He said he had four motions he wanted to make.

Motion: Mr. Sakaguchi moved that the COGC ask the County departments to reduce their inventory of cars owned by 10%, as there are a lot of old cars. There was no second to the motion.

Motion: Mr. Sakaguchi moved that the COGC ask the County to explore the feasibility of leasing instead of purchasing vehicles in the future. Mr. Joseph seconded the motion.

Discussion: Mr. Sakaguchi said that when vehicles are leased, they would become part of a department's operating budget. When they are bought, the County makes a one-time allocation of funds for the purchase. He felt the County ought to pay for its day-to-day operations as it goes along. As an example, Mr. Sakaguchi said the County could purchase a vehicle for \$30,000, or it could lease it and spend \$5,000 per year for three years. The leasing agent would provide the maintenance of the vehicle, saving the County in this area, and the vehicles would all be newer and well maintained. Not having old "clunkers" would reduce the County's liability and reduce maintenance costs.

Ms. Nicholson asked whether this would apply to passenger vehicles only, or to other types. Mr. Sakaguchi said he was thinking of all vehicles, except for specialized ones. He said he could amend the motion to include passenger or general purpose vehicles.

Ms. Provalenko said that most leases allot "x" number of miles per year on the vehicle and questioned what would happen to those vehicles, such as in the Public Works Department, which are on the road all the time. Ms. Stremski said they could pay by mileage after, and Ms. Nicholson said that if the issue were explored, departments which put in too many miles could be exempt.

Mr. Joseph asked whether the motion now was for all vehicles or just passenger vehicles. Ms. Nicholson said it should include all vehicles, as there could be a reason to lease other types of vehicles, too. Mr. Joseph said the motion had merit, but the word "all" bothered him. Ms. Stremski agreed. Mr. Joseph said if the motion could be modified to explore the possibility of leasing County-owned vehicles, period, he would support it.

Motion Amended: Mr. Sakaguchi accepted Mr. Joseph's suggestion as a friendly amendment to his motion.

Vote: All members voted aye in support of the motion for the COGC to recommend that the County explore the possibility of leasing County-owned vehicles.

Motion: Mr. Sakaguchi moved for the COGC to recommend that the County explore the feasibility of maintaining a common or uniform fleet of vehicles. Mr. Joseph seconded the motion.

Discussion: Mr. Sakaguchi said the County currently has many varieties and levels of vehicles by various makers, such as Dodge and Chrysler. He would like the County to classify

the vehicles into two to three classes. Then when the County puts out bid specifications for a fleet of one type, whoever comes up with the best fleet price gets the bid.

Ms. Garson said the way it works is the departments need to put in their request and requirements. It goes out in one bid from the Purchasing Division. The only exception would be the Water Supply Department, because it is semi-autonomous. Whoever gives the cheapest price for a vehicle or vehicles which meet the specifications gets the bid. The County cannot request a certain make of vehicle; it can only specify, for example, how many cylinders the vehicle needs, etc.

Motion Withdrawn: Mr. Sakaguchi withdrew his motion, as it would complicate things, and Mr. Joseph withdrew his second.

Motion: Mr. Sakaguchi moved for the COGC to recommend that the County explore more extensive use of taxis to get from one point to another. There was no second to the motion.

Mr. Sakaguchi said some municipalities use a taxi voucher system to promote accountability and hinder employees from using County cars on personal business. Doing so would also generate more business for the taxi companies, which suffer when tourism is slow.

Mr. Joseph said he would rather pay mileage.

Motion and Vote: Mr. Joseph moved to accept and file the list of County-owned vehicles, Ms. Stremski seconded the motion, and all members voted aye.

Mr. Sakaguchi left the meeting at 12:15 p.m.

9. DISCUSSION/ACTION REGARDING PRIORITIZING DEPARTMENTS/BOARDS/COMMISSIONS OR ISSUES TO ACCOMPLISH THE MANDATE OF THE COST OF GOVERNMENT COMMISSION

The commissioners decided to include the Department of Parks and Recreation on their list of priorities, and Ms. Garson noted that Research and Development is scheduled to speak to them on October 19, 2006. The Chair said he will not be able to attend that meeting, and Mr. Joseph agreed to sit as chair then if there is a quorum.

10. DISCUSSION ON FINAL DRAFT OF REPORT

The commissioners discussed whether they wanted to start the final draft at this meeting or wait until the September 7, 2006, meeting. Ms. Garson informed them that she had started to prepare a format for the report, in the hope it would make it easier for them. There is a lot of information that has been gathered from the departments and boards, so they need to think about the structure of their report.

11. DISCUSSION OF ITEMS TO BE PLACED ON NEXT AGENDA

The commissioners wanted a discussion on the qualifications for department heads to be placed on an agenda at some point. They also need to discuss the final draft of their report, and the secretary is to put together an updated list of their recommendations.

12. STATEMENTS FROM THE PUBLIC

No one from the public was present.

13. ANNOUNCEMENT

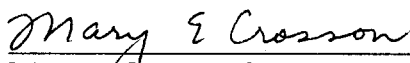
The Chair announced the next meeting as scheduled for September 7, 2006, at 10:00 a.m. at the conference room at the Office of the Corporation Counsel, 101 Aupuni Street, Suite 325, Hilo, Hawai'i.

14. ADJOURNMENT

Motion and Vote: Ms. Stremski moved to adjourn, Ms. Nicholson seconded the motion, and all members voted aye.

The meeting was adjourned at 12:28 p.m.

Respectfully submitted:



Mary E. Crosson, Secretary