



Ms. Testa said that the other counties have R&D counterparts and are usually called Economic Development offices. They generally come under the mayor's purview. She explained that Hawai'i County's R&D office is unlike its counterparts and functions differently. It does not only focus on economic development, but is able to have a broad perspective on what economic development of the island can entail. R&D is research-based, so the employees are knowledgeable about what things are needed prior to decisions being made for the island.

R&D has two offices, the main one being in Hilo and a branch being in Kona. R&D facilitates primarily in the areas of agriculture, tourism, small economic development, energy, and film. R&D is the County's library. They produce a data book which is updated every two years, and updated continuously on the web.

The R&D people have a particular strategy they follow. They look at the various activities and good works of people around the island who are involved with chambers, businesses, real estate, sports, construction, etc. These people are asked to look into their sectors and see what it would take to move the economy forward. If R&D can support those endeavors, it will.

The people who are involved do an incredible job. However, what makes it difficult for them to move forward are the sublevels that operate. The sublevels have to do with basic quality-of-life issues for a number of citizens of this island. Unless those issues are addressed, they will not be able to grow or move forward the way they would like. As a government, if the County could look at those sublevels a different way and address them so that they undergird the efforts of the people, then they could move forward and not be dependent on the government. R&D needs to "build capacity" on these sublevels so that the economy is enabled to move forward.

Ms. Testa said that at any given time, the resorts throughout the island are operating with almost 1,000 positions unfilled. The resorts cannot run the way they need to without the labor force to carry out their needs. Her job is to look at issues like this to see what it would take to help employees be ready for the labor requirements necessary for them to hold their jobs over time. This means understanding and assessing why the shortage is there.

R&D works with communities in putting together "community development projects" ("CDPs"). The employees go into communities and set up meetings to help empower the people to make a difference in their communities. R&D works with housing and labor to bring in training opportunities and grants. They recently acquired a grant search program which they offer to communities. R&D brings in training and educational opportunities, and they teach communities to be facilitative. R&D is working with the Planning Department to do process pieces for community development plans. All of this work is in addition to R&D's normal function in economic development. R&D's is concerned with long-range goals and what will affect communities over the long haul. Unless they can work with communities and help with economic development that will be sustainable over time, they won't make a big difference.

Ms. Testa mentioned that R&D's budget when she started in 2001 was \$1.2 million, and it is at \$3 million now.

Ms. Testa said that when she says “communities,” she means the non-profit business community, which is the 3<sup>rd</sup> or 4<sup>th</sup> major economic engine for this island. R&D is helping to build their capacity with grants, contracts, etc., and to look at economic development from a different perspective, hoping it will be more sustainable over time.

Mr. Sakaguchi asked whether R&D could change its name to Economic Development, like its counterparts in the other counties. He said that although R&D does research, every other county does the same kind of visioning and planning and keeping of statistics. People do not understand what Research & Development does, but if they were called Economic Development, people would have an understanding. Ms. Testa said they discuss this issue every year and always come to the belief that economic development is only one part of their department. It is not who they are, but it is what their counterparts are.

Mr. Sakaguchi said that from his perspective, vision is easy, but it is carrying it out that is important. He asked what motivates the County to move ahead, as departments have a minimal role in terms of visioning and are not much interested in moving forward in that direction. He said it would work better if departments had the responsibility for visioning in their own fields, as well as the responsibility of moving the County forward. Ms. Testa said her department recently had a visioning retreat, which they have every year. R&D has a vision, it has a mission, and it is taking that mission and coming up with strategic issues in each of the program areas. R&D identifies goals and objectives.

Ms. Testa said that departments need more ability to grade their projects with one another, so that they operate less in silos and more in an integrated fashion. Before R&D can do this with other departments, it needs to be done within R&D first. During the past retreat, they talked about how they would grade their functions.

Ms. Testa spoke about combining programs, such as agriculture and tourism, and grading functions together. R&D is meeting with communities to engage them to be involved in the planning process. She said she agreed with Mr. Sakaguchi that carrying out the vision is important. She believes R&D is halfway there. Things are on the ground, the implementation pieces are on the timeline, and based on their vision, this is how they move forward.

Mr. Sakaguchi said his opinion is that the County spends too much time planning or visioning. Energy gets lost during the planning process so there is none left to carry the plan out. He said his friends in Honolulu say their mayor’s vision of the rail system has them frustrated, because in the meantime they are dealing with potholes, wastewater in canals, junked cars, and other woes. They are tired of visioning and want action.

Ms. Testa said that the government cannot be all things and do all things for people. Certain functions belong to the government, but beyond that, people need to take responsibility for some of the decision-making. She said that for the Kona CDP, R&D facilitated 108 small group meetings there, in various locations. R&D people were present to facilitate and to ask questions and get ideas. In Puna, there were 130 small group meetings. R&D also tries to reach people who live in isolated, difficult locations. R&D is determined to reach people who do not go to meetings but have a lot to say. Once people are engaged in the process, working groups are fashioned. These groups are issue-based and can focus on roads, trash, energy, housing, etc. People say these are the issues they are concerned with. R&D collected all the issues from the

various communities, had a charette, took it back to the people, got yet more input, brought it together again and then out to the people again. She felt things were covered in a way they never were before. To come next are the working groups, the people themselves. These people will determine how the issues that concern them get fleshed out and addressed.

Ms. Testa said the CDPs are action-oriented plans which are not sitting on the shelf or waiting to be adopted by ordinance. The General Plan is going to remain the same General Plan. The CDPs get adopted to help flesh out some of the General Plan pieces. The CDPs are the action steps to be in line with the General Plan.

Mr. Sakaguchi commented that with the government, nothing gets implemented quickly. He worked with the government ten years ago in developing a massive tourism plan. It was a great report, but it was not implemented at all. Mr. Sakaguchi said that with the lay-off of workers from the Mauna Kea Beach Hotel, the Fairmont Hotel has stepped in to provide jobs for them. He said the County did not appear to have anything to do with resolving the issue. He said the County should have instructed the Fairmont Hotel to employ Mauna Kea Beach Hotel's laid-off workers.

Ms. Testa said that she and George Applegate, the head of the Hawai'i Island Visitors Bureau, consulted each other about the pending hotel closure and decided that Mr. Applegate would go to both hotels the following day to speak to them. It turned out that the Fairmont was aware of the situation and had already decided this would be a good opportunity for them. They did not need government involvement. She said that she feels that sometimes the best thing the government can do is get out of the way, as there are things the private sector can do better. She believes in facilitating people and helping them build more strength in their ability to act.

Mr. Sakaguchi agreed that the less government the better, but said he thought the County should have made its involvement known, so as to give the public a sense that a thousand jobs for local people were being saved. He also questioned why there is a housing problem for hotel workers, as they should not have to travel two hours to get to work. He said the hotels charge \$400 per day and should be able to afford better wages for the workers.

Ms. Nicholson asked to what extent R&D responds to other departments' requests for information, for data, for grant research and help in preparing grants, and in general for requests to support the needs of other departments.

Ms. Testa said that R&D regularly provides departments with information and data. They collect information and data on everything, not just the economy. They receive calls for information not only from other departments, but also from the public. They receive thousands of phone calls per year. For any and every person that calls for information/data, R&D's personal commitment is to give them something. If a call is about something R&D does not have the information on at that time, the caller will be given a link to somewhere else. They try to get answers to callers within 45 minutes. If they need more time, it is because they need to find the information from elsewhere first.

Regarding grant writing, Ms. Testa said R&D is about helping departments build their capacity. R&D is currently talking about having each department identify one employee of that department who will become a grant writer. R&D will train those identified employees and give

them access to all R&D's information and resources, so that those employees will be the people who actually write the grants for their department. R&D does not believe in writing grants for people. Grants need to be written by people who have a good understanding of their departments' operations and requirements. R&D's philosophy is to do the teaching and provide assistance. They are not to do things for people, but rather give them everything they need to do it themselves. They are training to have grant mentors on hand in every district.

Ms. Nicholson said that the COGC has heard from some departments that they need a grant writer, or that the employees writing the grants are actually engineers, and the grant writing is taking them away from their duties. She asked Ms. Testa if she saw R&D has having a role in intervening with the County and supporting the grant writers for departments.

Ms. Testa said it would be ideal if every department could identify one employee for R&D to work with. R&D could provide the training and technical assistance. They could not instruct departments on who the best employees would be to write grants, and it is possible that some departments would not choose the best person. However, R&D will work with them anyway. Because R&D is another department, they can only recommend and offer help, but they cannot make decisions for another department. If all the departments identify the employees who are to do grant-writing, they should be able to increase their grant sources and outside funding by a certain percentage. However, the grant-writing employees need to have dedicated time to write the grants. R&D will not write the grants for them, as that system does not work. Grant sources would prefer that those who write grants actually work in the department involved with the grant.

Mr. Sakaguchi said there is misunderstanding in that departments feel that R&D is responsible for helping them get grants but is not doing so. Therefore, someone needs to inform departments that it is their own responsibility, but that R&D will provide a mentor.

Ms. Testa said that departments are saying they have no one to dedicate for the purpose of writing grants. R&D has spoken to these departments, but it is not what they want to hear. These departments need to hire someone to be a grant coordinator.

The Chair asked Ms. Testa to go through the questions "a" through "g" on the agenda.

As question "a," regarding grant monies and grant writers, was answered, Ms. Testa continued with question "b."

*b. Do you have any ideas about what your department can do to save money while not compromising essential services?*

Ms. Testa said they are looking at the ability of all departments to have more efficient highway cars.

Ms. Testa felt that more integration of programs was needed, rather than working in silos, and this would not cost more money.

In the long run, Ms. Testa said it would save money if they could help communities set up community networks to enable them to better respond in times of emergencies and hazards.

Although the County's Civil Defense Agency is well known, there are still isolated pockets around the island. A communication network needs to be set, and R&D has a kumiai project working on this now.

- c. Do you see any way to consolidate services, activities, and functions of a similar nature within your own department as well as with other departments?*

Ms. Testa said that R&D is trying to draft a grants program in such a way that they can identify grant coaches to work with the different departments. If the departments can identify employees who will have dedicated time towards this and see it as a way to increase their resources rather than drain their time, it could make a difference for departments. It is shortsighted when they say they don't have an employee available to do grants. The longer-term vision is to build the capacity of the employee, and in doing so, departments will find their resources, manpower, and abilities more efficient. Departments need to sacrifice to leverage for the longer haul. Otherwise, they will stay in crisis mode all the time.

Ms. Testa said R&D recommended that the Human Resources Department hire one H.R. employee to handle all the H.R. work for all the smaller departments who are doing it in-house. The smaller departments would be like a hui, and the one H.R. employee could do the work more effectively than the employees in the smaller departments. This would free the smaller departments to use their employees' time towards their normal functions. Human resources work is very time-consuming. She believed the Human Resources Department may have implemented this already.

Another idea Ms. Testa had is to have departments be more function-based and issue-based. They need to focus on addressing issues, rather than working in silos. They need to draw together all the players and work together on the issues. Groups could be formed to tackle certain issues, and community members could go to the groups for answers rather than going from department to department, getting different answers.

- d. Are there any services, activities, and functions not necessary to efficient conduct of government that could be eliminated?*

Ms. Testa said she did not know the answer and would have to research much deeper and know the perspective.

- e. Can privatization help you? If so, in what ways? What would you privatize?*

Ms. Testa said R&D contracts out with the private sector all the time. Even for staffing needs, rather than hiring staff, they contract out within communities with people who live and work there. She would like to be able to have on retainer contracts community citizens who have specific skill sets. R&D could call on them for specific things. They have liaison contracts now, but would like to have it more formalized. There should be less of a schism between communities and governments. They should not be adversarial. It should not be big government coming in and doing things, but a good relationship should be established because there is a liaison and network relationship built in.

f. *Can you suggest any modernization projects that might streamline your operations in lieu of privatizing functions?*

Ms. Testa said that within their energy program, they are looking at ways to retrofit all the older County buildings around the island. They already have a grant to do this. On the County Building, they were able to save about a million dollars on energy costs alone because of the retrofits. They would like to retrofit the buildings not just in terms of electrical costs, but also to be more environmentally friendly, with basic things which don't cost much more but will save in the long run. They would like to have solar energy wherever possible, use hybrid cars, and educate communities to look at how their buildings are made and make recommendations through the working groups. They will try for grants as much as possible to do the retrofitting.

g. *Do you have any other ideas on how you can make your operations more efficient?*

Ms. Testa said she would like her department to be able to use flex time. She would like workers to be able to work out of different environments and avoid having to drive in. A portion of work could be done at home or in teams elsewhere, away from traffic. She would like to change the mindset of how government does business. It should be okay to do certain tasks not in lock-step form, because it could make more sense that way and save money or time. But there does need to be accountability. For her department, they will be building in that accountability in terms of the expected outcomes on the front end and be more product- and outcome-oriented. She knows that is not how things are usually measured.

Mr. Sakaguchi said the public does not trust government employees, and there should be ways to measure their output. They are seen as wasting time and not knowing what they are doing. He told Ms. Testa that he wished she could conceptualize the idea of having community centers, to bring together leadership when there is not a crisis.

Ms. Testa said they have it all designed and mapped, with about three different strategic options on how it could work. They have been planning it for years and are getting closer, but there always seems to be a piece that won't fit. If they can anchor some of the pieces in place, it should make a difference in how the government and communities think about costs and what is valuable. The people and the government need to work on how to become better stewards of this island.

The Chair asked Ms. Testa how large her staff is. She said they have grown from a staff of 11 to 19 positions, with 16-17 filled. In Kona, they went from one position to four. She said the County needs to be a presence in Kona and that it is too inefficient to drive two and a half hours to get there.

After no further questions from the commissioners, the Chair thanked Ms. Testa and she left the meeting.

*(A recess was called from 11:20 to 11:26 a.m., at which time the Chair called the meeting back to order.)*

**6. DISCUSSION/ACTION ON ITEMS TO ADD TO FINAL REPORT BASED ON PRESENTATION BY THE DEPARTMENT OF RESEARCH AND DEVELOPMENT**

Mr. Sakaguchi asked how they should handle the issue about grant-writing support, as what Ms. Testa said and what other departments said are different.

Ms. Nicholson said they had held off making a recommendation on the grant-writing issue because they needed to hear what R&D's role was, which has now been clarified. Grant writing goes back to the individual departments rather than to R&D. She saw no recommendations to add to their list from the presentation today.

Ms. Provalenko agreed.

The Chair said that if there were no objection, he wanted to complete the old business, agenda items 8 through 10, before going on to item 7, which was new business.

**8. DISCUSSION ON INCLUDING IN FINAL DRAFT OF REPORT THE FOLLOWING RECOMMENDATIONS:**

- a. Department of Environmental Management: Recommend hiring an additional engineer (or exploring the position and having a long-term plan to fund it, or having a long-term vision plan).

**Motion and Vote:** Ms. Nicholson moved to recommend that the Department of Environmental Management define the job duties to justify hiring an additional engineer. Ms. Provalenko seconded the motion. There was no discussion. Voting aye on the motion were Ms. Nicholson, Ms. Provalenko, Mr. Sakaguchi, and the Chair. Mr. Joseph voted against the motion.

- b. Department of Environmental Management: Acquire the Computerized Maintenance Management System.

**Motion:** Ms. Nicholson said there needed to be a computerized maintenance management system for all departments and County equipment. She moved that they recommend that there needs to be such a system for all County equipment. Ms. Provalenko seconded the motion.

**Discussion:** Mr. Joseph asked for the system to be explained. Ms. Nicholson said that from what she remembered, DEM did not have a system in place to remind them of when a vehicle or equipment needed servicing, and this resulted in equipment breakdown. They needed a system which told them when to replace various parts of equipment.

Mr. Joseph said there should be maintenance logs like most people have for their cars, and Mr. Sakaguchi said that it needs to be computerized so that someone does not have to write things down. The computer system would be a reminder system. He said it is a good recommendation and could apply to copiers, computers, and everything.

Mr. Joseph asked whether the cost would be nominal, and Mr. Sakaguchi said they could recommend it, though they don't know the cost. He said it is preventive maintenance.

**Motion Amended and Vote:** Ms. Nicholson said it was possible the system could be leased, and she amended her motion to recommend that all departments implement a computerized maintenance management system. Ms. Provalenko seconded the motion. After no further discussion, all commissioners present voted aye.

- c. Department of Public Works (Building Division): Recommend providing them with an adequate travel budget in which certification and training opportunities would be available to staff.

**Motion:** Mr. Sakaguchi moved to recommend that they provide the requirement of an adequate travel budget. There was no second to the motion.

Ms. Nicholson said it is not a bad motion, but it was "just not quite there." Ms. Provalenko said it is not something the COGC should do, as it is for the department to prioritize its needs and put them in the budget.

## **9. DISCUSSION/ACTION REGARDING MERIT OR INCENTIVE AWARDS FOR EMPLOYEES**

Ms. Nicholson explained that she had requested this issue be on the agenda, because it had come up with several departments. However, the departments all seemed to have different ideas as to how to structure incentives or awards. In addition, they also learned that there is in fact an incentive program for employees, but it is apparently not actively promoted. So it could be that departments do not know about the award, or that the award did not provide enough of an incentive to interest them. Although she would like the COGC to come up with a recommendation about merit or incentive awards, to encourage employees who go above and beyond their job description, she could not come up with a recommendation because the ideas were so varied, from flex time to cash to days off, to all kinds of ideas.

Ms. Provalenko said perhaps they should recommend the award be promoted more, since it is out there already. Either not all departments are aware of it, or it is not promoted well for the employees.

Mr. Joseph said he supports what Stanley Nakasone had said, which was that it would be too difficult to implement. It would also make some employees offended if they were not chosen, and there are certain employees that act like they're working hard only when the boss is around. It could cause dissent. He said it was also discussed within the Teachers Union, and it comes down to who sucks up to the boss gets the credit, and employees should just do their jobs.

Ms. Nicholson said she remembered what Mr. Nakasone had said and can see his point of view. However, since there is an award program in place, perhaps the COGC should take a stance on whether it should be better promoted, or whether there should not be an award program in place, since all County employees are expected to do their job.

The Chair said he is sure that all departments are aware of the program and that the departments which brought up this issue seemed to be looking for a more immediate award to give employees who went above and beyond, not just a once a year award.

Ms. Nicholson suggested they just move on.

## **10. DISCUSSION ON AND DRAFTING OF FINAL REPORT**

The commissioners noted that all the recommendations listed under agenda item 10 were already voted on and accepted for the final draft.

Mr. Joseph said that unless there was a specific item someone wanted to go over, he did not believe it was necessary to go through them again.

**Motion and Vote:** Ms. Nicholson moved to accept all the recommendations as presented in agenda item 10. Mr. Joseph seconded the motion. After no further discussion, all commissioners present voted aye. The Chair clarified that all recommendations under agenda item 10 were accepted.

The Chair directed the meeting back to agenda item 7.

## **7. DISCUSSION/ACTION ON ITEMS TO ADD TO FINAL REPORT BASED ON RECOMMENDATIONS PROPOSED BY COMMISSIONER MELVYN SAKAGUCHI**

Mr. Sakaguchi explained that when he submitted his recommendations, he was informed he could not submit it with his rationale, as it would have constituted a violation. He said that as a preface, he was looking at all the recommendations they had acted on for a bigger picture, an overview. This was how he came to his recommendations. Also, he had made two observations. The first is that, in his opinion, there is a culture of “don’t make waves as far as County government is concerned.” He said he also felt, with the exception of very few people, that the majority of the public administrators the COGC spoke to were managers and bureaucrats. They were not leaders. He said this means it will be an uphill battle if their recommendations were to be implemented. The environment is such that any recommendation won’t be taken seriously.

Mr. Sakaguchi said that he made his first recommendation (for each department to have an easy-to-read budget) because there is no one document that includes all the budget information. There are capital improvement budgets, operating budgets, etc. You have to keep going to another source for the information. He would recommend they have easy-to-read, comprehensive budgets.

The Chair asked Mr. Sakaguchi to go through his recommendations one at a time and they could vote on each one. Mr. Sakaguchi went back to his first recommendation:

- a. *Each department should have an easy-to-read budget which includes operating funds, personnel costs (including the number of positions in the department), cars*

*and facility maintenance costs. Additionally, there should be a clear statement of the primary functions of the department. This information should be available to all members of the department and to the general public.*

**Motion and Vote:** Mr. Sakaguchi moved to recommend “a” above. Ms. Provalenko seconded the motion. After no further discussion, Mr. Sakaguchi, Ms. Provalenko, and Ms. Nicholson voted aye. Mr. Joseph and the Chair voted against the motion. The motion passed.

Mr. Sakaguchi moved to his second recommendation:

- b. The County should lease facilities used by County departments and agencies, instead of building facilities.*

Mr. Sakaguchi said he is suggesting that the County stop building more buildings. He said that leasing makes sense financially and would be cheaper because of tax incentives to lease or rent buildings. Leasing would also benefit developers and make for better utilization of existing facilities. In addition, the population is shifting so that Hilo may no longer be the center of the County. As long as they keep building in Hilo, they are saying that forever Hilo will be the center of the island.

**Motion:** Mr. Sakaguchi moved for the COGC to adopt the recommendation. There was no second to the motion.

- c. Transfer all billing and receivable functions (utilities, property tax, etc.) as well as payroll services to a private vendor.*

Mr. Sakaguchi said that it makes sense for the County to contract with private vendors, whether banks or financial service companies, to do all of the billing and receivable functions, as well as payroll. This would enable the County to reap the benefits of computerizing its systems without investing more money. He said most corporations have this practice now.

**Motion:** Mr. Sakaguchi moved for the COGC to adopt this recommendation. There was no second to the motion.

- d. Expedite the development of an island-wide public safety communication network being initiated by the Police Department; allow private telecommunication companies to install transmission equipment on the towers to insure that all residents on the island have access to telecom service during emergencies.*

Mr. Sakaguchi said he was responding to recommendations made by the Police Department and Data Systems, as well as what Ms. Testa alluded to at today’s meeting. The concern is about public safety. The infrastructure should be available to make sure that all segments of the population can access a good cell phone system. He said he believes income could also be generated by renting the towers to private cell phone operators.

**Motion:** Mr. Sakaguchi moved for the COGC to adopt this recommendation. There was no second to the motion.

- e. *Establish a major award program (several awards of \$5,000 to \$10,000) for County employees making suggestions to improve services and reducing costs, possibly financed by companies doing business in the County.*

Mr. Sakaguchi said the current incentive program is like “chicken feed.” A hundred dollars or fifty dollars is not going to do it. He suggested the County enlist the help of community organizations, like the chambers, and make a big award.

**Motion:** Mr. Sakaguchi moved that the COGC adopt this recommendation. There was no second to the motion.

- f. *Where decision-making on an issue such as continued use of private cars by police personnel becomes very politicized and decision-making difficult, consideration should be given putting the issue on the ballot and letting the public make the decision directly.*

Mr. Sakaguchi said he felt that many times the County avoided complicated problems because of the politics. He felt an issue could simply be put on the ballot so the people could decide. He said it was extraordinary that so much time was spent on, for example, the issue of police cars, and that if it went on the ballot, the people could have decided. He said he cannot blame the Council or Mayor from walking away from hot political topics.

**Motion:** Mr. Sakaguchi moved that the COGC adopt this recommendation.

The Chair asked whether this would be a Charter recommendation. Ms. Noda said the job of the COGC would be to make the recommendation, if they felt it was something to be put to the public. The mechanism or avenue of how or whether it could be done could be taken up by others.

Ms. Provalenko seconded the motion.

Mr. Joseph that he felt the people of the Police Department were the best able to decide the issue of police vehicles. Mr. Sakaguchi said that may be true, but he was concerned with the length of time it takes to resolve issues. Mr. Joseph said that sometimes people connected to the issue have a better insight. Mr. Sakaguchi said he did not think it required technical expertise. He just felt it was hard for representatives to make decisions when the issues were political.

**Vote:** Mr. Sakaguchi voted aye. All other commissioners present voted against the motion.

- g. *Establish custodian residences at all major public parks.*

Mr. Sakaguchi said that someone suggested this to him as a way to help with the graffiti problem and that it used to be done in the past.

**Motion:** Mr. Sakaguchi moved that the COGC adopt this recommendation. There was no second to the motion.

- h. Re-examine the functions of all departments; many departments appear to be saddled with functions or responsibilities that don't fit and consequently these functions are ignored or given a lower priority in the allocation of resources.*

Mr. Sakaguchi said he reached this conclusion after the meetings the COGC had with department representatives. Some departments felt they were saddled with functions that shouldn't be theirs and thus do not give full attention to those functions. He said the County should reexamine the functions of all departments to see whether the structure should be reorganized. He said it is not fair that some functions get ignored because a department does not feel a strong need to do them.

**Motion:** Mr. Sakaguchi moved that the COGC adopt this recommendation. There was no second to the motion.

- i. Second tier career administrators in the County should be encouraged (maybe mandated) to change departments every ten years.*

Mr. Sakaguchi said that many managers have been in their jobs too long. He said to look at what private companies do in this situation.

**Motion:** Mr. Sakaguchi moved to recommend that career administrators be encouraged to change departments every ten years, as this would revitalize them and bring new ideas into departments. There was no second to the motion.

- j. Provide opportunities for at least 5% of County employees to attend national and regional conferences and go on visitations to other county governments of comparable size over the next three years.*

**Motion:** Mr. Sakaguchi moved that the COGC adopt this recommendation. There was no second to the motion.

- k. Every three years contract with the State of Hawai'i Legislative Auditor's Office to conduct a management and program audit of all or selected County departments to identify new practices or procedures which should be in place for efficiency and cost savings.*

Mr. Sakaguchi said he is not sure if the State Legislative Auditor's Office is the right agency or not, but that they do a good job in evaluating the success of government agencies. He said the County needs to have management and program audits. He said the COGC is just a temporary, part-time body and is not able to develop a body of expertise. The COGC spent a lot of time in just understanding what departments do and how they function. If the County contracted with another agency like the Auditor's Office, the review could be more substantive and in-depth.

**Motion:** Mr. Sakaguchi moved that the COGC adopt this recommendation. Mr. Joseph seconded the motion.

**Discussion:** Mr. Joseph said he would like to know if the County has an auditor in place and whether the various departments are audited on a regular basis. Ms. Noda said she did not know, and the Chair asked her if she could get an answer for the next meeting. Mr. Joseph said it would be worth looking into, as he had often thought the County needed to be audited on a regular basis by an independent auditor.

This matter was deferred to the next meeting, with Ms. Noda to research the issue.

- l. Provide for the exemption of all advisory commissions from the "Sunshine Law" provisions and rigorous quorum requirements.*

Mr. Sakaguchi said he does not understand why the Sunshine Law should apply to advisory committees, as they are not decision-making bodies. He said that posting notices is important but also constricting or restrictive.

Mr. Joseph said the public should always be afforded opportunity for input and that the Sunshine Law protects commissions from making decisions without informing the public. Mr. Sakaguchi said he would hope that in the future, computer websites could be employed to let the public know what is happening.

The COGC's secretary told Mr. Sakaguchi that the County's website includes all the agendas and minutes of its boards and commissions.

Mr. Joseph said the Sunshine Law is to protect against decisions being made behind closed doors.

Mr. Sakaguchi said that he just felt advisory commissions should operate with more flexibility.

**Motion:** Mr. Sakaguchi moved that the COGC adopt this recommendation. There was no second to the motion.

- m. Pay all County commission/advisory committee members a nominal sum of \$100 per meeting (longer than two hours; not longer than four hours).*

Mr. Sakaguchi it is his opinion, but he gets a sense that many commissions or committees are "shibai." He said he would suggest a nominal sum be paid to members so that they would be serious about their duties. He said commissioners who are not retired may lose money by participating in a commission. He said he knows it would cost the government a substantial amount but that the government could possibly cut down on the number of advisory committees.

**Motion:** Mr. Sakaguchi moved that the COGC adopt this recommendation. There was no second to the motion.

- n. Schedule an equal number of meetings of County-wide commissions and advisory groups in West Hawai'i and East Hawai'i.*

Mr. Sakaguchi said he does not blame the Kona side for feeling alienated and that more effort should be made at having meetings there.

**Motion:** Mr. Sakaguchi moved that the COGC adopt this recommendation. Ms. Provalenko seconded the motion.

**Discussion:** Mr. Joseph said he could support the motion if the wording was changed a bit. He said that instead of an equal number, where a meeting is held should depend on the where most of the members of a board or commission reside. If there was an equal number from the west side, he agreed that an equal number of meetings should be held there. But if a board has mainly East Hawai'i people, or all East Hawai'i people, he did not see a reason for meeting in Kona.

Ms. Provalenko said doing this could make a difference when soliciting people to apply for boards and commissions.

Ms. Nicholson pointed out that it would impact the availability of the speakers.

Ms. Provalenko said she agreed that it would depend on where commissioners come from, or where the quorum is coming from.

Mr. Joseph said the wording should be something like schedule meetings of County-wide commissions in West and East Hawai'i based upon representation and on the agenda. If someone from West Hawaii, for example, lodged a petition with the Board of Ethics, the Board would go over there to hear it. The recommendation should be reworded so that whatever percentage of a commission is from West Hawai'i, that percentage of meetings should be held in West Hawai'i.

**Motion Withdrawn/Amended:** Mr. Sakaguchi said he would withdraw his motion and Mr. Joseph could substitute his. Ms. Nicholson clarified that the recommendation was to schedule meetings of County-wide commissions in West and East Hawai'i based on representation.

Ms. Provalenko said she would second the motion and was withdrawing her earlier second.

**Vote:** All commissioners present voted aye.

- o. Establish a new County department to take a leadership role in promoting more extensive use of computers, and telecommunications and internet, and managing all technological resources and initiatives.*

Mr. Sakaguchi said it was his opinion that if you left innovation to the various departments, nothing would happen. He said he had made this recommendation before meeting with Data Systems. However, he said a new department is needed to take a lead on this. If it is left to the department heads, they are not capable or willing to move the County forward.

**Motion:** Mr. Sakaguchi moved that the COGC adopt this recommendation. There was no second to the motion.

*p. Lease all cars used by County officials and employees rather than purchasing them.*

Mr. Sakaguchi said he is big on leasing because the tax structure is such that a better deal could be gotten. He said if the County leases on a regular basis, it would promote employee safety, as they would not be driving old, junk cars. Maintenance costs may go down with leasing. Additionally, the County could be introduced to new technology by leasing hybrids or other modern vehicles. If more of these vehicles were seen around the island, more people would think about buying them.

**Motion:** Mr. Sakaguchi moved that the COGC adopt this recommendation. There was no second to the motion.

Mr. Sakaguchi thanked the commissioners for their consideration. He said these were suggestions he had picked up from others and had wanted to put them on the record.

Mr. Joseph said that for the record, at the next meeting they would be revisiting “a,” “k,” and “n” of Mr. Sakaguchi’s recommendations.

The Chair moved the meeting to agenda item 11.

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

Ms. Nicholson said they appeared to be finished with the departments they had on their list, as Parks and Recreation had been crossed off.

The Chair moved to agenda item 12, after asking if there were any other departments the commissioners wanted to talk to.

**12. DISCUSSION OF ITEMS TO BE PLACED ON NEXT AGENDA**

Mr. Joseph said they could read the rough drafts and discuss them at the next meeting.

Ms. Nicholson said that deciding on a format for the final report is an agenda item, as well as going over the recommendations they made today, and then they could leap right into the final draft.

**13. STATEMENTS FROM THE PUBLIC**

No members of the public were present.

14. ANNOUNCEMENTS


The Chair announced the next meeting as being set for Tuesday, December 19, 2006, at 10:00 a.m. at the conference room at the Hilo Department of Liquor Control, 101 Aupuni Street, Suite 230, Hilo, Hawai'i.

15. ADJOURNMENT

**Motion and Vote:** Mr. Joseph moved to adjourn the meeting; Ms. Provalenko seconded the motion, and all commissioners present voted aye.

The meeting adjourned at 12:23 p.m.

Respectfully submitted:

  
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Mary E. Crosson, Secretary