

Sandi Sterker  
Chair

Dirk Apao  
Vice- Chair



Members:  
Lawrence Chaffin, Jr.  
Brant Fuchigami  
Arryl Kaneshiro  
Glen Takenouchi  
Laurie Yoshida

## **COUNTY COST CONTROL COMMISSION 2011 Annual Report**

### **Overview**

Established by Charter in 1988, the goal of the Cost Control Commission is to reduce the cost of county government while maintaining a reasonable level of public services.

The Cost Control Commission is charged with the responsibility to review and scrutinize personnel costs, real property taxes, travel budgets, and contract procedures with the intent of eliminating, consolidating or reducing overlapping or duplicate County services and programs. The Commission is empowered to secure, through the Office of the Mayor or the Chairman of the Council, any reports or information from their respective departments or employees that are appropriate to accomplish its work.

The Cost Control Commission conducted nine (9) regular meetings in the 2011 calendar year and is hereby submitting its Annual Report summarizing its recommendations which will be advertised as required in Section 28.05 of the Kaua'i County Charter.

### **I. RELATING TO COUNTY EMPLOYEE TRAINING AND CONSOLIDATION OF PERSONNEL FUNCTIONS**

#### **Findings**

1. The Cost Control Commission conducted a survey in 2010 and received responses from fourteen (14) County departments. These departments submitted a list of the trainings their employees have attended as well as a prioritized list of trainings that would benefit their department. The top six (6) most desired trainings were:
  - a. Sexual Harassment
  - b. Leadership/Supervisory Management
  - c. Workplace Violence
  - d. Industrial Injury
  - e. Computer Skills
  - f. First Aid/CPR

2. The Cost Control Commission also learned that the responsibility for training employees within the County rests with each individual department and is not consolidated under a single department such as the Department of Personnel Services.
3. Additionally, the Commission discovered that each County department has staff members that are responsible for varying levels of personnel and/or human resources related duties. As a result, the Commission feels that there may be duplication of work effort among the various County departments that could be consolidated to improve coordination, effectiveness, and efficiency.
4. The Cost Control Commission requested that the County Auditor's Office conduct a pre-audit on the feasibility of consolidating the training and all personnel and/or human resources functions under the Department of Personnel Services.
5. In its response, the County Auditor's Office indicated that the Personnel Department's limited scope of responsibility as provided for in the County Charter made it difficult for their Office to conduct the pre-audit requested by the Cost Control Commission. Furthermore, the Auditor's Office suggested that the Cost Control Commission pursue a Charter amendment or seek a legal opinion regarding the scope of the Personnel Department's responsibility and authority under the Kaua'i County Charter.
6. The Cost Control Commission thus requested a written opinion from the County Attorney's Office on the scope of responsibilities and services that the Department of Personnel Services can provide under the current charter language. Based on the opinion, the Commission learned that pursuant to Section 6.02, County Charter, the Mayor is authorized to assign new related functions to any administrative department such as the Department of Personnel Services.

The Commission finds that the issue raised by the County Auditor's Office regarding Department of Personnel Services limited scope of responsibilities as currently provided for in Article XV, Kaua'i County Charter has merit and feels that the Charter should be amended to include a more comprehensive human resource focus.

### **Recommendations**

1. Request that the Mayor assign the responsibility of coordinating and conducting personnel related training of County employees to the Department of Personnel Services. Such trainings should include but not be limited to Sexual Harassment, Leadership/Supervisory Management, Workplace Violence, Industrial Injury, Computer Skills, and First Aid/CPR.
2. Request the Administration to conduct an internal review to determine the feasibility and cost implications if personnel within the various departments who are currently performing personnel and /or human resources functions were transferred to the

Department of Personnel Services for the purpose of consolidating responsibilities and eliminating duplication of work. Upon completion of the Administration's internal review, the Commission requests a copy of the findings and cost determination of this proposed consolidation.

3. Request that the Charter Review Commission with assistance and input from both the Cost Control Commission and Civil Service Commission, consider proposing a Charter amendment to change the title of "Department of Personnel Services" to "Department of Human Resources" and further expand the functional responsibilities of the Department to include employee training, worker's compensation, safety awareness and injury prevention, employee benefits, and workforce planning.

The Cost Control Commission requests that a copy of these Findings and Recommendations be transmitted to the Department of Personnel Services, Civil Service Commission and Charter Review Commission for further consideration and implementation.

## **II. RELATING TO THE COUNTY AUDITOR'S REPORT: "AUDIT OF IMPLEMENTATION OF THE RECOMMENDATIONS OF THE COST CONTROL COMMISSION CONCERNING ENERGY SAVINGS"**

The Cost Control Commission discussed the April 2011 report prepared by the Office of the County Auditor at its July meeting. Although the Auditor's report stated that the Commission had made 40 energy savings recommendations, the Commission clarified that in 2009 and 2010 it had made a total of six (6) recommendations on energy savings as follows:

1. The Department of Water and the Wastewater Division of the Department of Public Works should be required to develop cost-saving opportunities for their operations, through energy efficiency and conservation measures and the use of alternative energy sources (for example, methane, wind and solar power). These alternatives should be considered for implementation particularly during expansions or renovations to existing facilities and the construction of new facilities.
2. All Departments should be asked to read the Energy Use Survey Guide and to follow the recommendations outlined therein.
3. The County should execute a new Energy Savings Performance Contract to improve energy efficiency in the County's buildings and facilities.
4. The County should develop cost saving opportunities for its operations through energy efficiency and conservation measures by exploring the issuance of a new Performance Contract proposal solicitation for County facilities.

5. The County should form a County Departmental Green Team Committee to assess work environments, identify opportunities and make recommendations to reduce waste and improve efficiencies in their daily work.
6. The County should engage and promote employee awareness, understanding, and sense of personal and departmental responsibility among all employees for how they use energy and other resources and how they can reduce waste and improve efficiency in their daily work by creating an “Employee Green Team” in the County.

The Commission noted that the other recommendations described in the report were prepared and offered by the previous Mayor’s Administration. The Commission requested that the Administration provide an update on their six (6) recommendations, and on October 10<sup>th</sup>, Managing Director Gary Heu and Energy Specialist Glenn Sato gave the Commission an update on the status of the six (6) energy savings measures. In addition, the Commission was provided an update on other energy savings measures that were completed by the County.

Based on the update presentation, the Commission found that the current Administration was astute in following through on the Commission’s recommendations and was pleased to learn that the County was progressing with the hiring of the Sustainability Manager. The members felt that the Administration’s presentation was thorough and comprehensive and anticipates additional follow-up discussions with the new Sustainability Manager regarding the continued expansion and implementation of energy saving programs within the County.

### **III. RELATING TO REAL PROPERTY TAX EXEMPTIONS**

From June 2011, the Commission initiated a review the County’s real property tax exemptions to determine whether revisions to the existing exemptions are recommended. The Commission is undertaking this review with the assistance and cooperation of the County’s Real Property Tax Division who has been very helpful in providing technical support and information to the Commission. The discussions are expected to continue into 2012. The Cost Control Commission would like to thank the Finance Department and its Real Property Tax Division for making themselves available at the meetings to present information requested and answer questions.

Respectfully Submitted:

COST CONTROL COMMISSION

By \_\_\_\_\_  
Sandi Sterker, Chair

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Dirk Apao, Vice Chair

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Larry Chaffin, Jr., Commissioner

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Brant Fuchigami, Commissioner

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Arryl Kaneshiro, Commissioner

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Glen Takenouchi, Commissioner

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Laurie Yoshida, Commissioner

Date Submitted: \_\_\_\_\_