

MINUTES

COMMITTEE OF THE WHOLE

October 17, 2018

A meeting of the Committee of the Whole of the Council of the County of Kaua'i, State of Hawai'i, was called to order by Mel Rapozo, Chair, at the Council Chambers, 4396 Rice Street, Suite 201, Lihu'e, Kaua'i, on Wednesday, October 17, 2018, at 11:07 a.m., after which the following Members answered the call of the roll:

Honorable Arthur Brun
Honorable Mason K. Chock
Honorable Ross Kagawa
Honorable Arryl Kaneshiro
Honorable Derek S.K. Kawakami
Honorable Mel Rapozo

Excused: Honorable JoAnn A. Yukimura

The Committee proceeded on its agenda item, as shown in the following Committee Report, which is incorporated herein by reference:

CR-COW 2018-05: on Bill No. 2722 A BILL FOR AN ORDINANCE AUTHORIZING THE PROCUREMENT OF THE SERVICES OF A CONTRACT AUDITOR AND APPROVING A CONTRACT FOR A CONTRACT AUDITOR FROM APPROPRIATIONS OF A LATER FISCAL YEAR FOR MORE THAN ONE FISCAL YEAR (Approved.)

The Committee proceeded on its agenda item as follows:

ES-968 Pursuant to Hawai'i Revised Statutes (HRS) Sections 92-4 and 92-5(a)(2), (4), and (8), the purpose of this Executive Session is to consider matters that require confidentiality under state law, to wit, the hiring of a County Auditor, including interviewing any candidates, and terms and conditions of employment. The further purpose of this Executive Session is to meet with the Council's legal counsel on questions and issues relating to the Council's powers, duties, privileges and immunities, and/or liabilities, claims and/or potential claims, as such powers, duties, privileges and immunities, and/or liabilities, claims and or potential claims relate to the foregoing item, and to take such action as the Council deems appropriate.

Council Chair Rapozo: We have one (1) Executive Session today and this was contrary to popular belief that the Council has been actively seeking applicants and candidates for our auditor's position. I know there is a lot of talk out there that we are not filling the auditor position and that we are going to get rid of

the auditor position. There is a lot of nonsense running around, but the fact of the matter, and I have stated several times on this floor, although the newspaper chose not to print it, is that we have been actively searching. We have a list of finalist. Today's Executive Session was for this body to interview the candidates, but because of scheduling problems, had to be rescheduled. So we are going to receive this Executive Session posting today and repost for the next Council Meeting. I guess the message to the public is that we are still actively trying. We have some finalists and we will be interviewing them. I would like to see a decision made before the end of this term.

Councilmember Kagawa: What I was going to suggest is that because we have waited so long, why not wait until the next Council gets in and let them have the ability to choose. I do not mind...if we find somebody good, then you try and grab them, but I was just thinking that we waited for so long and perhaps we can have that list ready and the next Council can go through the process of interviewing. We are three (3) weeks away from the Election.

Council Chair Rapozo: For me, I do not know who the candidates are. When we went through this process, I told everybody that we were going to follow this structured process and we would obviously respect the Sunshine Law, so although the Office of the County Clerk is involved, I would appoint Councilmember Chock and Councilmember Kaneshiro to sit on the process on the committee. I would really leave it up to the recommendation of these two (2) folks. I am not sure who the candidates are. I do not know what their timeline is. I am worried that if we wait too long that we will lose them as candidates, but if the candidates are okay with waiting, then I do not have a problem either way. My point is that I want to do one of two things: either fill that position or do what we said we would do, is go back to the Charter Review Commission and have that taken out and we will just contract out audits. Councilmember Chock.

Councilmember Chock: Thank you, Mr. Chair. Councilmember Kaneshiro and I have been part of the process. Actually, I think the way we looked at it is that we all have been part of this process in trying to retain an Auditor. So we wanted to see how far we could actually get because we have all been part of it. Indeed, if we cannot, then at the very least, we can make a recommendation to the new Council. We believe we are close to it and just wanted to follow through. That is why the recommendation is to continue at this point.

Council Chair Rapozo: Councilmember Kaneshiro.

Councilmember Kaneshiro: I think just as Councilmember Chock said, was for us to at least make a recommendation to the new Council if we cannot make the decision, but I would hate for us to have to go through this entire process again, because we have been looking for an Auditor for the last couple of years. We have interviewed people and had a big list. We have pretty much exhausted all of our resources looking for an Auditor and I do not want to have to restart that whole process again, because it does cost us and the taxpayers money to get a professional search company. We are at the point where we "fish or cut bait" and we make a recommendation or we make the decision and we go from there.

Council Chair Rapozo: Any other discussion? With that, I will suspend the rules.

There being no objections, the rules were suspended.

FELICIA COWDEN: Felicia Cowden. I am going to be in agreement with Councilmember Kaneshiro and Councilmember Chock. We are going to be losing three (3) of the Councilmembers that are sitting here that have a great wealth of knowledge and if we are replacing it with people that are brand new and they do not have any continuity in this discussion, I think that would be a loss. Given that both the two (2) of you have some strong potential in continuing with the County, I think you folks are really key to be able to be making some core decisions, so I would really think it would behoove us to at least pick if there is a good candidate to be checking that out while the three (3) Councilmembers that will be leaving are still present. That is my thought. Thank you.

Council Chair Rapozo: Thank you. Anyone else in the audience wishing to testify? Mr. Hart.

BRUCE HART: For the record, Bruce Hart. I would also like to see the County Auditor position filled before this Council closes. I think I am in complete agreement with Councilmember Kaneshiro, Councilmember Chock, and Council Chair. I think everybody would just like to have it over with. I think that if Mr. Mickens, Joe, and Ken Taylor are out there that they would like to see it filled, too. Bye.

Council Chair Rapozo: Anyone else? If not, I will call the meeting back to order.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kaneshiro: I just wanted to clarify that our decision may be that we do not hire anybody and that we go back to the Charter and say, "We went through this exhaustive search and we could not find somebody that we feel would have been good." It is going to cost money to have an Auditor's Office and it is a matter of do we feel that this person, who is going to be an exceptional individual, because they are going to have to basically create the office again by themselves, are we going to get the bang for our buck by having them or do we just contract audits out. There have been good candidates. I think we got really close to almost hiring one and they decided that they were not going to move to Hawai'i. It is just the way it goes. We have been through this process for so long that I think it is our responsibility to make the recommendation, either we continue to interview more or we just say, "It is done," and then it is up to the new Council to either agree with that our try to extend this process longer. We have been through this process for years and for me, I would like to come to a resolve.

Council Chair Rapozo: Thank you. I believe this is our third attempt and we actually made that job offer, as you talked about, and the reason that did not come was because the woman's husband...they were from Washington State and the woman's husband had accepted a very good job in Washington State at the last minute, so they were prepared to come here and in speaking with her, her idea of how she was going to set up this office was going to be a lot less expensive than what we had seen in the past. The ideal situation would be to have an independent legislative auditor. I think that would be the ideal situation. Again, we cannot continue to spend money and not be able to hire qualified people. I think my suggestion is that the decision is made during this Council and whether we go or not go, it would be unfair to have a new Council that did not participate in the process make the selection, but that would be entirely up to this body.

Committee Chair Kaneshiro: I do not want my message to be construed to where we do not want an auditor. We went through the process and we are trying to find the right fit for our County and it has been difficult. We had some people that would be the right fit and would benefit and it did not work out and we have had others where it would not be good for us to just get somebody just to have an auditor. We would actually be hurting the County and spending a lot of money when we have some interviews that when they say, "What do you want me to do?" It is not our responsibility to tell the auditor how to do the job, so those are the kind of decisions that we have gone through this entire time and when it comes down to it, the amount of people that we can pick that we feel can do the job is really small and limited. It is not that we had this predetermined notion to just say, "No auditor." It is really just finding the right fit and if we cannot find the right fit, then we have to make the decision that we cannot find the right fit and we have to move on.

Council Chair Rapozo: Any other discussion?

Councilmember Chock moved to receive ES-968 for the record in open session, seconded by Councilmember Brun, and carried by a vote of 6:0:1 (*Councilmember Yukimura was excused*).

There being no further business, the meeting was adjourned at 11:21 a.m.

Respectfully submitted,



Codie K. Tabalba
Council Services Assistant I

APPROVED at the Committee Meeting held on November 21, 2018:



MEL RAPOZO
Chair, COW Committee