



COST CONTROL COMMISSION

ALICE LUCK, CHAIR
STACY WAIKOLOA, VICE CHAIR

ANDRE LISTER, MEMBER
PAUL PANCHO, MEMBER
TYLER RODIGHIERO, MEMBER

Meetings of the Cost Control Commission will be conducted as follows:

- Meetings will be publicly noticed under Chapter 92, Hawai'i Revised Statutes (HRS).
- Minutes of the meetings will be completed under Chapter 92, HRS, and posted to the Cost Control Commission's website.

Public Comments and Testimony:

25 JAN 29 P12:07

- **Written testimony** will be accepted for any agenda item herein.
 - Written testimony indicating your 1) name, and if applicable, your position/title and organization you are representing, 2) whether you are a registered lobbyist and if so, and on whose behalf you are appearing, and 3) the agenda item that you are providing comment on, may be submitted to mromo@kauai.gov or mailed to the Cost Control Commission, c/o Office of Boards and Commission, 4444 Rice Street, Suite 300, Lihue, Hawai'i 96766.
 - Written testimony received by the Cost Control Commission at least two business days before the meeting will be distributed and available as part of the Commission's packet and written testimony submitted thereafter will be distributed at the meeting.
 - Any written testimony received after this time and up to the start of the meeting will be summarized by the Clerk of the Commission during the meeting and will be provided to the members and added to the record thereafter.
 - Any written testimony received during the meeting and before the decision-making on the corresponding agenda item will be distributed to the members before such decision-making.
- **Oral testimony** will be accepted for any agenda item herein.
 - It is recommended that anyone interested in providing oral testimony register at least 24 hours before the meeting by emailing mromo@kauai.gov or calling (808) 241-4920. Any request to register may include your 1) name, and if applicable, your position/title and organization you are representing, 2) the agenda item that you are providing comment on, and 3) contact information (telephone number and email address).
 - Per the Cost Control Commission's Policy there is a three-minute time limit per testifier for each agenda item.
 - Individuals who have not registered to provide testimony will be allowed to speak on an agenda item following the registered speakers.

SPECIAL ASSISTANCE

IF YOU NEED AN AUXILIARY AID/SERVICE, OTHER ACCOMMODATION DUE TO A DISABILITY, OR AN INTERPRETER FOR NON-ENGLISH-SPEAKING PERSONS PLEASE CONTACT THE OFFICE OF BOARDS AND COMMISSIONS AT (808) 241-4917 OR ADAVIS@KAUAI.GOV AS SOON AS POSSIBLE. REQUESTS MADE AS EARLY AS POSSIBLE WILL ALLOW ADEQUATE TIME TO FULFILL YOUR REQUEST. UPON REQUEST, THIS NOTICE IS AVAILABLE IN ALTERNATIVE FORMATS SUCH AS LARGE PRINT, BRAILLE, OR ELECTRONIC COPY.

COUNTY OF KAUAI COST CONTROL COMMISSION MEETING NOTICE AND AGENDA

Thursday, February 6, 2025

9:00 a.m. or shortly after that

Piikoi Building, Boards and Commissions Conference Room

4444 Rice Street, Suite 300, Līhu'e, Hawai'i 96766

Remote Access VIDEO by Microsoft Teams

Click on the URL below or type the URL into your computer or smartphone

<https://bit.ly/42R3iwP>

25 JAN 29 P12:07

Meeting ID: 256 611 869 060 Passcode: LU78wx6z

OPEN SESSION MEETING CALLED TO ORDER

ROLL CALL TO ASCERTAIN QUORUM

APPROVAL OF AGENDA

CHAIR'S ANNOUNCEMENTS

- Next Monthly Meeting, Thursday, March 6, 2025, at the Office of Boards and Commissions Conference Room, Suite 300.

PUBLIC TESTIMONY ON ANY AGENDA ITEMS

Individuals may testify on any agenda item or wait for the item to come up on the agenda.

APPROVAL OF MINUTES

- Open Session Minutes of January 2, 2025, meeting.

BUSINESS:

CCC 2025-1:

Discussion and possible decision-making on recommendations to reduce the cost of county government while maintaining a reasonable level of public services under Section 28.02 of the Kaua'i County Charter Article XXVIII Cost Control Commission.

- Review County Expenditures for year ending June 30, 2024.

EXECUTIVE SESSION: Under HRS§ 92-7(a), the Commission may, when deemed necessary, hold an executive session on any agenda item without written public notice if the executive session was not anticipated in advance. Any such executive session shall be held under HRS § 92-4 and limited to those described in HRS §92-5(a).

ADJOURNMENT

cc: Deputy County Attorney Chris Donahoe

OPEN SESSION MEETING MINUTES

Board/Commission		Cost Control Commission	Meeting Date	January 2, 2025
Location	Piikoi Building, Boards and Commissions Conference Room 4444 Rice Street, Suite 300, Līhu‘e, Hawai‘i 96766 Remote Access VIDEO by Microsoft Teams Click on the URL below or type the URL into your computer or smartphone Meeting ID: 254 537 757 312 Passcode: fG2o22WB https://bit.ly/49P5bew AUDIO Connection by Microsoft Teams Phone: +1 469-848-0234, Phone Conference ID: 254 537 757 312		Start of Meeting: 9:00 a.m.	End of Meeting: 9:50 a.m.
Present	Chair Andre Lister, Vice Chair Alice Luck, Commissioners Paul Pancho and Tyler Rodighiero. Also present: Boards and Commissions Support Staff: Administrator Ellen Ching (<i>via Microsoft Teams</i>); Support Clerk, Mercedes Omo, and Deputy County Attorney Chris Donahoe.			
Excused	Commissioner Stacy Waikoloa			
Absent				

SUBJECT	DISCUSSION	ACTION
Meeting Called to Order	The meeting started when Chair Alice Luck called the Cost Control Commission January 2, 2025, meeting to order at 9:00 a.m. Commissioner Andre Lister was present. Commissioner Paul Pancho was present. Commissioner Tyler Rodighiero was present.	

Cost Control Commission Open Session Minutes
of the January 2, 2025, Meeting

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SUBJECT	DISCUSSION	ACTION
	Vice Chair Stacy Waikoloa was present. Chair Alice Luck was present.	Quorum was established with 5 Commissioners present.
Approval of Agenda		Mr. Lister moved to approve the agenda as circulated. Mr. Rodighiero seconded the motion. Motion carried 5:0.
Chair's Announcements	<ul style="list-style-type: none"> Next Monthly Meeting, Thursday, February 6, 2025, at the Office of Boards and Commissions Conference Room, Suite 300. 	
Public Testimony	<p>Individuals may testify on any agenda item or wait for the item to come up on the agenda.</p> <p>There was no one present from the public to provide testimony in-person or on Microsoft Teams.</p>	
Approval of Minutes	<ul style="list-style-type: none"> Open Session Minutes of November 7, 2024, meeting <p>There was no one present from the public to provide testimony in-person or via Microsoft Teams.</p> <p>Mr. Lister noted that his name was incorrectly spelled on the first page of the minutes. The minutes noted "Andrew" instead of "Andre."</p>	Mr. Lister moved to approve the Open Session Minutes of the November 7, 2024, meeting with the correction to the spelling of Mr. Lister's first name from "Andrew" to "Andre." Ms. Waikoloa seconded the motion. Motion carried 5:0.
Business CCC 2025-1	<p>Discussion and possible decision-making on recommendations to reduce the cost of county government while maintaining a reasonable level of public services under Section 28.02 of the Kaua'i County Charter Article XXVIII Cost Control Commission.</p> <p>There was no one present from the public to provide testimony in-person or via Microsoft Teams.</p>	

Cost Control Commission Open Session Minutes
of the January 2, 2025, Meeting

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SUBJECT	DISCUSSION	ACTION
	<p>Chair Luck noted that there are two changes to the duties of the Cost Control Commission. The first change being that the Cost Control Commission can now look at items that increase cost that could bring about long-term cost savings. The second change being that there will be a youth member on various boards and commissions. Administrator Ching acknowledge that Chair Luck was correct in her statements and verified that the election results from the 2024 General Election were certified. Moving forward, the Office of Boards and Commissions will be looking into recruiting youth members for all boards and commissions, however, the process may take a while as there are some other issues relating to other boards and commissions that will keep Administrator Ching busy until the end of March.</p> <p>Chair Luck stated that last year, the Commission did a broad review of various areas and had hoped to look more in-depth into some of those areas during the current year as it relates to the County Budget.</p> <p>Administrator Ching recommended that the Commission defer agenda item CCC 2025-1 and move on to agenda item CCC 2025-2 where she can review the proposed meeting schedule and calendar of discussion items.</p>	<p>Mr. Rodighiero moved to defer CCC 2025-1. Mr. Lister seconded the motion. Motion carried 5:0.</p>
CCC 2025-2	<p>Discussion and possible decision-making on the meeting schedule and meeting topics for the year.</p> <p>There was no one present from the public to provide testimony in-person or via Microsoft Teams.</p> <p>Chair Luck mentioned that Administrator Ching circulated the official Charter statement on what falls under the purview of the Cost Control</p>	

SUBJECT	DISCUSSION	ACTION
	<p>Commission, which includes: personnel costs, real property taxes, travel budgets, and contract procedures. The memorandum circulated by Administrator Ching includes proposed topics for review at the Commission's monthly meetings.</p> <p>Chair Luck noted that the schedule of topics looked reasonable to her. Administrator Ching stated that when she prepared the schedule, she kept things reasonable and "loose" in terms of the scheduling of the items each month. Administrator Ching also noted that she considered the County's annual budget process during March-May, and the availability of the departments to be present before the Commission. Administrator Ching further noted that March's and April's topics could be included in the Commission's February meeting topics. She further elaborated that perhaps even the March-June topics could be reviewed by the Commission at one meeting, which would then leave more time to look at more specific items that may be of interest to the Commission.</p> <p>Administrator Ching reminded the Commission that with the recent Charter Amendment passing relating to the Cost Control Commission, the Commission can now investigate items that may increase costs but that could lead to long-term cost savings.</p> <p>Mr. Rodighiero thanked Administrator Ching for providing a structure for the Commission to follow. Administrator Ching responded that the schedule is also helpful for the Office of Boards and Commissions to coordinate appearances by the Administration.</p> <p>Administrator Ching mentioned that between July and September, she added the Commission's review of departmental recommendations for</p>	

SUBJECT	DISCUSSION	ACTION
	<p>cost control measures. As she was preparing information for the upcoming Salary Commission to evaluate, she asked each department to write up a two-page memorandum providing the scope of each department so that the Salary Commission can proceed with their expedited schedule. Mr. Lister agreed that asking departments to provide recommendations about their own department is an excellent idea. Mr. Rodighiero stated that he is also excited about the Charter Amendment passing relating to possible increases in cost to bring about long-term cost savings as it has been something the Cost Control Commission has been trying to get past for as long as he has served on the Commission and even prior when Councilmember Kaneshiro served on the Cost Control Commission. Mr. Lister stated that the Commission can also look at past topics as well as they are now looking at them with a fresh lens. Chair Luck stated that based on her memory, there were numerous topics where the Commission wanted to make a recommendation only to realize that the recommendation was not something that fell under their purview. She suggested reviewing past minutes to see how often that occurred and proposed reviewing deferred maintenance for the Department of Public Works.</p> <p>Mr. Lister stated that there may be possible past items that the Commission reviewed that could be reevaluated, but there are also some topics reviewed that would not need to be reevaluated as the outcome would not change. Mr. Lister agreed that reviewing past minutes may be helpful in determining which topics could potentially be reviewed again under this new power of the Cost Control Commission.</p> <p>Mr. Rodighiero asked for clarification of the types of costs that could be proposed and how long-term cost reductions would be defined. Deputy</p>	

SUBJECT	DISCUSSION	ACTION
	<p>County Attorney Donahoe responded that the costs would still need to relate to the duties of the Cost Control Commission.</p> <p>Administrator Ching explained that a possible example of the Charter Amendment relating to the Commission coming into play is with real property tax appeals. As it stands, appellants can defer their appeal any number of times. In other counties they are only able to defer it once. Currently, there are some appellants that have continued to defer their appeal egregiously. The County would like to mandate requested documentation that would validate a deferral instead of deferring the appeal indefinitely which is currently happening. This keeps the real property tax liability in limbo.</p> <p>Administrator Ching also noted that with the Zoning Board of Appeals there is a question about whether the Board is needed given the appeal power of the Planning Commission which is already in-place. Mr. Rodighiero responded that the second Board of Appeals was probably put in place to slow down the development process. Administrator Ching stated that having the Zoning Board of Appeals is possibly a duplication of services already provided for by the Planning Commission.</p> <p>Administrator Ching clarified that the Commission could ask all departments to prepare a short memorandum outlining potential cost cutting measures that the Commission could then review and possibly recommend to the Council for further action.</p> <p>Mr. Rodighiero asked what Administrator Ching had envisioned for the review of personnel costs at the Commission's March meeting. Administrator Ching responded that personnel costs could be anything</p>	

SUBJECT	DISCUSSION	ACTION
	<p>outside of what is covered in the Collective Bargaining Agreements. The Commission could look at emergency hires or appointed positions within the County. Appointed positions are exempt from union contracts. Examples of departments with numerous exempt employees are the Office of Boards and Commissions, Housing Agency, Office of Economic Development, and the Transportation Agency. Administrator Ching stated that she would not recommend looking at union positions as that may be a waste of the Commission's time.</p> <p>Chair Luck asked if it would be feasible to ever recommend that a program or service be outsourced to an outside agency and not provided for by non-union County employees. Administrator Ching cautioned the Commission about outsourcing any task currently being done by the County as unions may rally hard against this as it relates to the issue of privatization of County services. Administrator Ching provided the example of the Kekaha Landfill being managed by a private company previously, but the work now being done by County employees as privatizing County functions is frowned upon by the unions.</p> <p>Administrator Ching stated that the Commission may need to remember the question about "What is the role of County government?" A recent example of hearing both sides of the argument came into play with the Adolescent Drug Treatment and Healing Center. The County decided to build one and provide funding, then came disagreements about who should operate it and how best to operate it. Ultimately, the Center was given back to the private sector with operations falling under the private sector, however, the funding is still being provided by the County.</p>	

SUBJECT	DISCUSSION	ACTION
	<p>Mr. Rodighiero asked what Administrator Ching had envisioned for the February review of expenditures for year ending June 30, 2024. Administrator Ching responded that the February review was to ensure that the Commission met its Charter requirement of reviewing County expenditures that cover personnel costs, real property taxes, travel budgets, contract procedures, etc. Mr. Rodighiero acknowledged being able to fulfill the Charter requirements at the February meeting and having the rest of the year to look into topics that the Commission felt were important.</p> <p>Chair Luck asked whether the Commission could look at future budget proposals instead of looking back at the fiscal year that was already completed. Administrator Ching responded that the Commission could look at future budgets, but any comparison is not an apples-to-apples review as there are many variables that could come into play. Looking historically allows the Commission to look at larger variances in expenditures and make recommendations thereof.</p> <p>Mr. Rodighiero asked whether revenues are projected to increase as it relates to real property taxes. Administrator Ching responded that as far as she is aware, they are taking in more real property tax revenues.</p> <p>Chair Luck asked whether an audit was presented to the Council before the end of the fiscal year. Administrator Ching responded that every year, there is a Annual Comprehensive Financial Report (ACFR). Administrator Ching further noted that the Commission has not yet reviewed the ACFR and accompanying reports. Chair Luck stated that she would review those audits closer and see if there is anything that could be of interest to the Commission. Administrator Ching recommended that the Commission look</p>	

SUBJECT	DISCUSSION	ACTION
	<p>at the Management Letters to see what issues or recommendations the audit has found.</p> <p>Ms. Waikoloa asked for clarification if the Commission's ability to recommend revenue generation included spending more in order to justify revenue generation. Administrator Ching responded that Ms. Waikoloa's understanding was correct. Administrator Ching further responded that there would need to be a lexis or link that if the recommendation is to spend more, that spending would lead to cost savings down the line. Ms. Waikoloa provided an example that for all County employees having to research and look into booking their own travel, could the Commission recommend the hiring of a travel agent that would lead to cost savings due to County employees not having to use their time to do the research. Administrator Ching responded that the example Ms. Waikoloa provided could be a possibility.</p> <p>Administrator Ching asked the Commission whether they wanted to review the County's latest audit. She stated that Personnel Costs and Travel Budgets could potentially be reviewed together. The March or April meeting could be adjusted to review the County's recent audit. Mr. Lister asked if perhaps the audit could be reviewed in February. Administrator Ching responded that she would need to investigate who might be able to present the audit findings given that the audit is prepared by an external company. The Department of Finance may be able to present to the Commission, however, they may also defer to the external auditors as well. Administrator Ching asked for time to work on organizing that item for discussion.</p>	

SUBJECT	DISCUSSION	ACTION
	<p>Chair Luck stated that she feels the review of travel budgets and contract procedures will go quickly. Administrator Ching responded that for contract procedures, those are highly regulated by State Procurement Laws.</p> <p>Mr. Rodighiero asked whether the County has investigated using artificial intelligence (AI) for working on contracts. He noted that in his business experience, he has used AI to assist him on all his contracts. Chair Luck agreed that exploring AI might be helpful to the County and its use of technologies to save monies after expending monies to purchase the technologies. Administrator Ching stated that in her experience working in the non-profit sector, when dealing with State contracts, the State would always ask you to do more with less and would never increase the contract amount. County government is similar in the sense that there are different laws or policies that must be followed. More importantly, getting a new position in County government is very difficult given that personnel costs are very expensive and difficult to eliminate as well once that position has been established. Administrator Ching acknowledged that County departments would be open to AI as it may help them with their workload. Mr. Rodighiero stated that using AI would help the department not need another employee, which would save the department money.</p> <p>Administrator Ching acknowledged that outside sources can also dictate what various departments need to do or handle. In her experience with the Office of Boards and Commissions, the State has actually initiated a few new boards or commissions that then fall under her purview.</p> <p>Mr. Rodighiero stated that AI could even be used to evaluate the Charter and see whether certain topics fit within the purview of what the Charter</p>	

SUBJECT	DISCUSSION	ACTION
	<p>mandates needs to be done by a board or commission. Mr. Rodighiero stated that from his experience, using AI could save the County time and money. Deputy County Attorney Donahoe noted that in his experience, the use of AI needs to be handled carefully as AI is only as good as the information that is being fed into it. In his experience AI is not always the best for Hawai'i-specific issues or issues specific to the County of Kaua'i. Administrator Ching stated that using AI could be helpful to get a starting draft to work with, but that ultimately the attorneys and other staff would still need to review work products for accuracy.</p> <p>Mr. Rodighiero stated that in his experience with AI, the experience has been positive, and it has saved him a lot of time. He is also very impressed with the output that he receives. He encouraged everyone to investigate the product called Fathom. Deputy County Attorney Donahoe responded that the use of AI could be something the Commission recommends, but he also cautioned the Commission of running into conflicts with the end-user.</p> <p>Chair Luck asked who the Chief Technology Officer at the County was. Administrator Ching responded that Del Sherman is the IT Manager. Chair Luck and Mr. Rodighiero agreed that it might be helpful for the Commission to have a discussion with Mr. Sherman. Mr. Rodighiero stated that he is not looking at eliminating positions, he is looking at making County employees more efficient at their jobs.</p> <p>Administrator Ching noted that the Commission needs to be sure to show the nexus behind its recommendations and how it relates to government efficiency and cost reduction.</p>	

Cost Control Commission Open Session Minutes
of the January 2, 2025, Meeting

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SUBJECT	DISCUSSION	ACTION
	Chair Luck asked to have Mr. Sherman appear before the Commission to ask how AI could assist the County with productivity and efficiency. However, Chair Luck asked to frame the request as to how technology in general could help the County with productivity and efficiency, removing any reference to AI. Ms. Waikoloa also asked to include cybersecurity concerns as part of the list of topics for Mr. Sherman to speak on. Administrator Ching responded that these questions could be posed for the IT Division during the months when the Commission reviews departmental recommendations.	Ms. Waikoloa moved to approve the 2025 Cost Control Commission Meeting Schedule and Topics with the addition of the recent Annual Comprehensive Financial Report and associated reports. Mr. Lister seconded the motion. Motion carried 5:0.
Executive Session	Under HRS§ 92-7(a), the Commission may, when deemed necessary, hold an executive session on any agenda item without written public notice if the executive session was not anticipated in advance. Any such executive session shall be held under HRS § 92-4 and limited to those described in HRS §92-5(a).	There were no items for Executive Session.
Adjournment		Mr. Lister moved to adjourn the meeting. Mr. Rodighiero seconded the motion. Motion carried 5:0. There being no objections, the meeting was adjourned at 9:50 a.m.

Submitted by: _____
Mercedes Omo, Staff Support Clerk

Reviewed and Approved by: _____
Alice Luck, Chair

() Approved as circulated on

() Approved as amended. See minutes of _____ meeting.