

Charter Commission

CITY AND COUNTY OF HONOLULU

Honolulu Hale • 530 South King Street • Honolulu, Hawaii 96813



MONDAY, JULY 27, 2015
3:00 P.M.
COMMITTEE MEETING ROOM
HONOLULU HALE

MINUTES

Charter Commission Members Present:

Judges Michael F. Broderick (Ret.)
Reginald V. Castanares, Jr.
Guy K. Fujimura
Donna Ikeda
Kevin Mulligan
Paul T. Oshiro
David W. Rae
Cheryl D. Soon
Jesse K. Souki
Edlyn S. Taniguchi
R. Brian Tsujimura
Governor John D. Waihee III

Charter Commission Members Absent/Excused:

Nathan Tetsuo Okubo

Others Present:

Dawn Spurlin, Deputy Corporation Counsel, Department of the Corporation Counsel
Linda Luli Nakasone Oamilda, Executive Administrator, Honolulu Charter Commission
Mary James, Researcher, Honolulu Charter Commission

I. CALL TO ORDER

With a quorum present, Chair Jesse Souki called the meeting to order at 3:00 p.m.

II. FOR APPROVAL

Commissioner Soon moved to approve the minutes of June 23, 2015 with a minor change. Commissioner Ikeda seconded the motion. All Commissioners present voted in favor of the motion. Motion passed.

III. EXECUTIVE ADMINISTRATOR'S REPORT

The Executive Administrator introduced the new researcher. The Executive Administrator reported that Chair Souki and the Executive Administrator met with Laura Figueira on June 30; and with Mayor Caldwell and his Chief of Staff, Ray Soon on July 8. The Executive Administrator provided copies of correspondence from Chair Souki to the City Council Chair Martin and Mayor Caldwell, an editorial by Chair Souki; and a news article about the Charter Commission by Gordon Pang published on July 27th in the Honolulu Star Advertiser.

The Executive Administrator reported that requests have been made to the Neighborhood Boards for an opportunity to explain the work of the Charter Commission at their August meetings, if possible. The Commissioners were invited to sign up for Neighborhood Board meetings they can attend.

The Executive Administrator provided copies of resolutions adopted by the City Council. The Executive Administrator noted that section 4-402 of the Charter, allows the Mayor to propose amendments to the Council for changes to the duties and functions of certain departments and agencies. Mayor's Message 1 to the City Council transfers the Storm Water Quality Branch from the Department of Environmental Services to the Department of Fiscal Management. This Message became Council Resolution 15-10, adopted by the Council on February 18, 2015. Mayor's Message 27 to the City Council transfers the management of certain commercial parking structures from the Department of Fiscal Management to the Department of Transportation Services and deletes the duty and function of establishing the rail transit since that duty and function are under another Charter section. This Message became Council Resolution 15-68, adopted by the Council on April 22, 2015.

The Executive Administrator also provided a copy of Resolution 15-165, which was adopted by the Council, requesting the Charter Commission to propose Charter amendments relating to the Affordable Housing Fund.

The Executive Administrator will provide a final fiscal and expenditures report for FY2015 after the conclusion of all the briefings by the Legislative and Executive branches. The Executive Administrator will work with the Budget Chair Tsujimura to propose revisions to the 2016 fiscal year budget because of shortfalls in some of the budget categories.

The Executive Administrator reported that the Charter Commission website still needs work, especially on the forms. The Executive Administrator also provided a copy of the proposal form, the form for new submittal, and an outline of procedures provided by Rule 4 of the Charter Rules.

Commissioner Soon inquired about the process for the City Council to amend the Charter and whether passing a Resolution was enough notice for the Commission. Chair Souki responded that the Council should follow a process to ensure the Commission gets a copy and requested the Executive Administrator to follow-up. The Executive Administrator explained that the Mayor's Resolutions have already been adopted and have changed the Charter. The Executive Administrator explained that under Rule 4-202 the mayor has the authority to reorganize.

Chair Souki noted that the third Resolution regarding housing will be one of the areas the Commission will consider.

Commissioner Rae requested clarification about the Neighborhood Board meetings. The Executive Administrator explained that the proposal is to attend the Neighborhood Board meetings to explain about the work of the Charter Commission and invite the Neighborhood Boards to submit proposals to amend the Charter.

Noting possible concerns, the Executive Administrator will post all handouts on the website once the website is working.

Commissioner Waihee made a motion to move into Executive Session. Commissioner Castanares seconded the motion. With no objections, the motion passed

IV. EXECUTIVE SESSION

Following the Executive Session, Chair Souki reported that the Commission had voted to approve the recommendations of the Executive Administrator regarding the candidates for the secretarial position and authorized the Executive Administrator to complete the hiring process.

V. REPORT BY THE PERMITTED INTERACTION GROUP (PIG) CONSIDERING PROPOSED OUTREACH PLANS FOR THE SOLICITATION OF CHARTER PROPOSALS (Section 92-2.5(b)(1)(B), Hawaii Revised Statutes)

Chair Souki explained that Commissioner Soon will provide a report on the PIG's proposed outreach plans but the Commission will vote on its recommendations at a later meeting, as required by the Sunshine Law.

Commissioner Soon provided a copy of the report explaining that the PIG met three times. She recommended that the Commission adopt a statement about the importance of public outreach and public participation in all phases of the Charter Commission proceedings including during the periods of:

- Active solicitation of submissions;
- Deliberations; and
- The education phase for voting.

She explained the urgency of reaching out to the public because the current phase of solicitation of submissions ends on October 31. The report recommends the following steps to get the word out:

- Write and publish an editorial, which has been completed; and
- Notify the Neighborhood Boards, City Commissions, and stakeholder groups interested in City issues.

The report also recommends that meetings be taped by Olelo, live and rebroadcast. Staff will solicit information on the cost. The members believe there is sufficient funding for these efforts.

For the third phase, it is important to make sure that funding is adequate for new ideas, etc. Any action by this Commission will have to hold over until next meeting.

The members of the PIG are Commissioners Soon, Castanares, Okubo, and Souki.

There were no questions about the report from the other Commissioners. Actions on the PIG report will be taken at the next meeting.

VI. DISCUSSION

Chair Souki introduced the next item: Briefing on administrative and management functions by the Executive Branch.

The Chair elaborated that both the Council Chair and Mayor or their staff were invited to discuss their operations and budget. Under section 15-105 of the Revised Charter of the City and County of Honolulu, a Charter Commission is appointed to study and review the operations of the government every 10 years. City departments, agencies, and offices were invited to a series of public meetings to discuss their work under the Charter and to discuss potential Charter amendments or revisions to improve city government and operations.

Office of the Mayor — Deputy Managing Director, Georgette Deemer, presented for both the Mayor's Office and the Managing Director's Office.

The Deputy Managing Director explained the Executive Branch Organizational Chart of five offices and 17 departments under the Managing Director.

Commissioner Soon asked about the last page of her PowerPoint presentation which states in part that one of the Mayor's Powers, Duties and Functions is to: "Have a voice, but no vote, in the proceedings of all boards provided for by this charter or by ordinance." She asked if there were any other boards similar in concept to the Board of Water Supply (BWS) and the Honolulu Area Rapid Transit (HART) Board. The Deputy Managing Director was uncertain. Commissioner Rae inquired if that included the Fire Commission and Police Commission. The Deputy Managing Director replied that she will check and get back to them.

Commissioner Soon inquired if it works for the Mayor to have a voice but not a vote.

Commissioner Rae asked about transparency and accountability, especially with regard to the Police and BWS.

Office of the Managing Director —Deputy Managing Director Georgette Deemer, showed the chart of the Office of Managing Director which includes the:

- Office of Housing;
- Neighborhood Board Commission Office;
- Mayor's Office of Culture and the Arts;
- Royal Hawaiian Band; and
- Office of Economic Development under which is the Film Industry Program and the Agricultural Liaison.

Chair Souki inquired about the working relationship between the Mayor's Office and the Managing Director's Office. The Deputy Managing Director replied that the combination provides a good working model with all departments and offices reporting directly to the Managing Director. She explained that Mayor Caldwell is a hands-on, proactive mayor in policy and "moving the needle" on many city programs.

Commissioner Rae asked about possible changes to make the system more responsive to the public's needs and provide more effective management. The Deputy Managing Director explained that the Mayor has been talking with the departments on issues for consideration by the Charter Commission for a couple of years.

Chair Souki asked if the Mayor could make structural changes to the Charter during a Commission's decennial review. The Deputy Managing Director explained that there were no issues so urgent that the Mayor couldn't wait for the Commission's input but flexibility would help.

Commissioner Rae pointed out that the Charter Commission is only one vehicle to change the Charter. The City Council can pass a Resolution to put a proposed change on the ballot if large changes are needed.

Commissioner Soon requested that the Corporation Counsel review this issue and specifically note if the Mayor is limited to organizational changes and if these changes can also occur while the Commission is working.

Deputy Corporation Counsel Spurlin explained that the City Council can introduce Charter amendments by resolution when no Charter Commission is formed. In addition, petitions signed by ten percent of the voters registered in the last election can be filed. She explained that Charter Commission proposals, City Council proposals, and petition submittals can be used to amend the Charter.

Commissioner Ikeda asked about the number of people, the number of positions and the total budget in the Mayor's Office and the Managing Director's Office. The Deputy Managing Director responded that she will check and report back.

Commissioner Rae asked if the 4-year term of office for the Mayor is too short and inquired whether two terms of six years might be better. The Deputy Managing Director will advise the Mayor of that concern.

Commissioner Waihee asked if there are proposals to reduce or expand the number of departments and agencies. The Deputy Managing Director said not at this time but the discussion on consolidating departments is ongoing.

Commissioner Soon questioned if the two City Council Resolutions passed this year should then have to go to the voters. They did not concern reorganization by the Mayor. The Deputy Corporation Counsel will follow-up on that request.

Chair Souki also requested that the Deputy Corporation Counsel determine if the Mayor's executive reorganization authority requires the Commission to take any action. He noted that the City Council already approved the Resolutions. He suggested that the other Resolutions where the City Council recommended the changes, would need to come before the Commission.

Commissioner Tsujimura noted the number of departments in the chart presented by the Deputy Managing Director and that some were narrow in scope such as the Royal Hawaiian Band. He inquired whether the Mayor's Office could defend some of the smaller ones or whether consolidation was a possibility. The Deputy Managing Director said the Mayor's office will be reviewing this.

Chair Souki asked the Executive Administrator to convey these issues to the departments that are coming up for hearings. He also requested that the Commissioners email their areas of interest to the Executive Administrator for her to communicate them to the departments.

Commissioner Tsujimura asked about the rationale for the overall structure.

Commissioner Rae noted that the departments were broken up by another Charter Commission 20 years ago and expressed interest in how that worked. One example he gave was combining Planning and Permitting into one department.

Commissioner Broderick requested that the Mayor's office bring substantive recommendations to the Commission in the near future, based on these discussions. The Deputy Managing Director replied in the affirmative.

Department of the Corporation Counsel — Corporation Counsel Donna Leong and First Deputy Corp Counsel Paul Aoki provided a PowerPoint presentation. The Department consists

of 49 attorneys and 37 staff; and eight in administration. It has two Divisions — Counseling and Drafting, and Litigation.

The Ethics Commission is attached to the Corporation Counsel for administrative purposes only. Chair Souki asked for more information about the Ethics Commission. The Corporation Counsel said it is an independent commission that functions on its own. The Ethics Commission appoints the director and staff. Corporation Counsel services them interfacing with the Human Resources Department (DHR) and BFS. Chair Souki inquired if there are other attached agencies. Corporation Counsel stated that the Liquor Commission is administratively attached to BFS. The Ethics Commission used to be within the Corporation Counsel but the Charter was amended to make it independent but kept it administratively attached. The Corporation Counsel her presentation, noting that the Board of Water Supply (BWS) and the Honolulu Area Rapid Transit (HART) can retain their own legal counsel.

Commissioner Soon inquired if there were other boards or commissions that were modeled similarly to BWS and HART and the consequences of changing the boards into departments.

The Corporation Counsel explained that her department is the attorney to both BWS and HART though they can hire their own attorneys.

Although independent of the administration, the Corporation Counsel needs to represent the city's interests — otherwise there might be conflicting interests. She stated that a team of deputies is assigned to HART, and a few deputies are assigned to BWS.

Commissioner Soon asked what the best structure for semi-autonomous agencies would be. Corporation Counsel explained that differences between semiautonomous agencies and city agencies can be seen by looking at the minutes creating HART. BWS has been in existence for a long time so all of their minutes aren't readily available. Charter Commissions have always discussed the difference between semiautonomous and departments. Commissioner Soon pointed out that HART authority only goes through construction (Article 17 of the City Charter). A Resolution was passed that requested a Charter amendment to establish HART which was done outside the previous Charter Commission's timeframe.

Commissioner Mulligan asked about the services provided to HART by Corporation Counsel as opposed to services provided by outside counsel. Corporation Counsel explained there are three types of outside counsel that Corporation Counsel hires. First, there are Special Deputy Corporation Counsels who have specialized expertise in certain areas to represent the city's interests at different proceedings such as for specialized construction litigation matters. For example, for the yearlong protest against HART's environmental impact statement (EIS), the Corporation Counsel hired a law firm with specialized expertise in transit projects and defending EIS's. Second, when there's a conflict of interest, Corporation Counsel will represent Honolulu and hire outside counsel to represent an individual employee's interests. Third are independent contractors who give Corporation Counsel legal advice.

Commissioner Rae asked about changes the Corporation Counsel wants to make to the Charter. Corporation Counsel stated that she has a list of suggestions, mostly housekeeping and to facilitate business. Commissioner Souki asked if Corporation Counsel was going to be coordinating for the Mayor. Corporation Counsel said the Managing Director and the Mayor's Office will put the proposals together. Commissioner Rae also asked about legal representation if there are multiple parties: What if they have to represent the Mayor and the City Council — who's the client? Corporation Counsel said that was not a problem because the people of Honolulu are her clients and she will act in their best interests. She explained that the Corporation Counsel represents everybody in the city. Deputies may be assigned to different clients which initiates attorney/client privilege.

Commissioner Waihee asked about HART and wanted to know at what point the Corporation Counsel has to choose a client. The Corporation Counsel gave the example that both the City Council and the administration are her clients. If there is a disagreement, the Corporation Counsel's opinion will be based on legal principals. Disagreement will happen on a policy-level which doesn't concern the Corporation Counsel.

Commissioner Rae asked if the City Council could hire its own attorney to sue the city. Corporation Counsel answered in the affirmative and pointed out that it has happened in the past. It just depends on the issue. In similar lawsuits in the past, Corporation Counsel represented the administration and City Council hired its own counsel.

Commissioner Souki asked how they resolved the tension. Other states elect their attorneys. Corporation Counsel replied that regardless of whether the Corporation Counsel is elected or not, the tension is based on policy differences.

Ethics Commission - Chuck Totto, Executive Director & Legal Counsel presented a slide show to explain the Ethics Commission's work.

The Ethics Commission has three duties:

- o Confidential ethics advice - about 400 per year;
- o Mandatory ethics training for city employees; and
- o Enforcement of the ethics including confidential investigations.

Investigations remain confidential unless there is a finding of misconduct at a level the public should know about. The Ethics Commission can impose civil fines for exempt or elected officers and can recommend discipline to the appointing authority for violations by exempt or elected officers or civil service employees. They also issue public advisory opinions on what's ethical to do and on findings of misconduct.

The Ethics Director & Legal Council was asked how the Commission works with Corporation Counsel if there's a difference of opinion. He explained that the Ethics Commission must remain independent in budget and substantive action. The latter is usually not a problem. However, there can be tension over the control of budget by Corporation Counsel, though they are generally able to work it out but it's not always easy.

The Ethics Commission will request one housekeeping matter regarding their attorneys' salaries which aren't set as the salaries are for the Corporation Counsel attorneys. The Executive Director & Legal Counsel will present that proposal once it's approved by the Ethics Commission.

Chair Souki asked the Executive Director & Legal Counsel about his relationship with the Ethics Commission. He responded that the seven Commissioners are appointed by the Mayor, confirmed by City Council. The Executive Director & Legal Counsel is the head of staff as the Executive Director and legal counsel, hired by the Ethics Commission. He hires his own staff. They are employees-at-will and staff consists of two attorneys, one investigator, and two support staff. Chair Souki asked if other counties used the same model. The Executive Director & Legal Counsel answered that they do not. The attorneys in the other counties come from the Corporation Counsel. Oahu's Commission is similar to the State Ethics Commission. It is separated out as a step of independence so they can hire their own attorneys and consultants to give it the information and analysis they want. They interpret the ethics law based on prior Ethics Commission opinions and the law. They don't represent any person, whereas, Corporation Counsel represents the person. The Executive Director & Legal Counsel and his staff represent the Commission only. They investigate about 100 cases per year of allegations of misconduct.

Chair Souki asked about the number of confirmed cases. The Executive Director & Legal Counsel explained that for violations the confirmation rate is 10-15 percent and for corrective action the confirmation rate is 50-60 percent. These include systemic problems allowing someone to take advantage. For example, he cited gifts for staff that are more than just minor gift or a token of Aloha.

Commissioner Broderick inquired about the tension over the Corporation Counsel controlling the budget and asked if he had any recommendations. The Executive Director & Legal Counsel explained that it is up to the Commissioners to make recommendations. He described two cases from the early 2000s in which the Corporation Counsel and the Ethics Commission differed. He stated that it would be better to install more independence between the two agencies ahead of time, before a major issue arises.

Commissioner Soon requested that the Executive Director & Legal Counsel explain the line between himself and the Commission. What can Tutto do independently? The Executive Director & Legal Counsel answered that staff does 95% of work. Only the Commission can find probable cause of a violation of the standards of conduct; enter a formal advisory opinion; and determine the policy of the agency. Staff can provide advice but the Commission makes the decisions. Staff conducts investigations and gives informal advice.

Commissioner Soon asked if those duties were in the Charter or were a de facto way of operating. The Executive Director & Legal Counsel explained that these guidelines were in the Commission's Rules of Procedure and probably are not needed in the Charter. Commissioner Soon asked if the City needs an Ethics Commission. The Executive Director & Legal Counsel explained that he thinks it's the democratic approach to have a Commission. The City needs to

have an independent body of some kind to make a decision on a possible violation of the standards of conduct. If a violation is found, the staff of the Executive Director & Legal Counsel becomes similar to a prosecutor and Corporation Counsel will assign a deputy to advise the Commission to prevent any conflict of interest.

Commissioner Soon asked if the meetings were confidential. The Executive Director & Legal Counsel replied in the affirmative. They must be executive sessions because they generally concern a violation of a personnel rule. They can be disclosed if a violation is found. Whether it's a council member or an employee mowing the lawn at the park, those are all in executive sessions. The State Open Records Law has a "balancing test" to determine, whether the misconduct and the identity of the person will be disclosed if there is a violation. He noted that the higher up a person is in the chain of command, the more likely it will be disclosed. Although they have had outrageous cases of misconduct by people at lower levels, there is no need for public disclosure, just a need to know that the violation was found and stopped.

Commissioner Rae asked how the determination of misconduct is made. The Executive Director & Legal Counsel replied it's related to the seriousness of the action, if it's job-related, the position of the person, and other factors. Commissioner Rae asked to whom these quasi-independent organizations are accountable. The Executive Director & Legal Counsel replied that there is an appeals process with the Ethics Appeals Board in the City Government. Commissioner Rae asked if the Appeals Board is in the Charter. The Executive Director & Legal Counsel replied that he thinks it is in the ordinances because it's required by state law. Commissioner Rae asked if the office of the Executive Director & Legal Counsel can refer issues to the Prosecutor. The Executive Director & Legal Counsel said that they can refer issues to the Attorney General, the Prosecutor, or federal agencies. They are currently putting together a policy and procedure for that. For example, time and attendance fraud is common. If the value is \$300 or more, it is a felony. Either they can investigate it or give it to the prosecutors. Ohio is an example of an Ethics Commission that only reviews cases to determine if they should go to the attorney general.

Department of Budget and Fiscal Services (BFS) - Director Nelson Koyanagi, and Deputy Gary Kurokawa went over their handout. BFS functions are: central accounting, budgeting, procurement, and treasury. In addition they do the annual assessments for real property in Honolulu and the billing and collection of real property taxes. The Liquor Commission is administratively attached to BFS.

Commissioner Soon asked if all the detail in Article 9 was necessary. The Deputy Director of BFS said that BFS will look at that.

Commissioner Rae asked if the Liquor Commission was needed. Could the review of licenses, etc., be done outside? Is there an oversight function? The Deputy Director of BFS answered that the Liquor Commission is only administratively attached to BFS.

Commissioner Mulligan asked how awards for concessions differs from the Department of Enterprise Services, etc. The Deputy Director of BFS answered that Enterprise Services administers the concessions and BFS awards the contracts.

Commissioner Waihee pointed out that the budget is done annually and asked if funds that lapse will be available for the following year. The Deputy Director of BFS said that the funds can be moved within a department but not between departments, without a supplemental budget. The Mayor can reprogram budget items within limits without Council approval.

Chair Souki asked if there were any issues involved with the creative financing used for the rail project and if there are any Charter issues for that. The Deputy Director of BFS stated that the biggest limitation is state law. He explained that HART can't issue its own debt so the City must issue general obligation bonds backed by the City to be paid by HART.

Chair Souki asked if there were anything that would be helpful to BFS and the City to put into the Charter such as funding for infrastructure, special district, etc. The Deputy Director of BFS said that special districts are possible and being looked at. Chair Souki asked if these issues belonged in the Charter or in the ordinances. The Deputy Director of BFS said he will look into it but thinks they probably belong in the ordinances. Chair Souki asked if BFS will propose Charter amendments. The Deputy Director of BFS replied in the affirmative.

Commissioner Rae asked if there would be any problems with including Tax Increment Financing (TIF) in the Charter. The Deputy Director of BFS explained that the State Constitution doesn't allow the City to issue TIF bonds.

Department of Human Resources (DHR) - Director Carolee Kubo and Deputy Noel Ono. She explained that it is a small department with only 81 personnel.

Commissioner Soon asked about the Civil Service Commission. The Director of Human Resources explained that it is attached to DHR. It listens to complaints of employees not available to go through their collective bargaining agreements to grieve such as excluded employees. Commissioner Soon thought that the Civil Service Commission was an appeals function for things that DHR had done. The Director of Human Resources explained that if an excluded employee doesn't have the right to grieve through a collective bargaining agreement because the employee is excluded from the union, they have a right to appeal also. Commissioner Soon asked about their yearly case load. The Director of Human Resources replied that they look at 1-2 cases about once a month or approximately fifteen per year. Commissioner Soon asked if the decisions are final. The Director of Human Resources replied that they can appeal to the courts.

Commissioner Tsujimura asked about the trades and apprenticeship programs. The Director of Human Resources said they are part of the Training and Labor Relations Division. They place apprentices in various programs controlled by the Department of Labor, working in conjunction with Honolulu Community College and a variety of trades.

Commissioner Mulligan asked whether the contract hire issue in section 6-1103 needs clarification. People are hired year after year on contract but that doesn't seem to be the point of contract hires. He asked if the Charter should be amended to prevent such an abuse of one-year contracts. The Director of Human Resources agreed, saying they have a problem with that also. Personal services contracts should be for temporary use and not to exceed one year. Many agencies do them year after year, so employees don't have the rights of collective bargaining in civil service positions. They are working to convert them to civil service to get the employees equal treatment. She stated that if the department knows that this kind of work will continue for many years, they should convert them to civil service.

She said that they are working with HART, asking for an action plan of when positions will be converted. Certain positions like secretaries and budget and human resources personnel will most likely be there for years, certainly past development of the rail.

Chair Souki pointed out the issue of creating categories of positions so they can hire for positions not part of civil service currently. The Director of Human Resources assured him they will create new classes. Commissioner Mulligan suggested they consider using BART classifications as an option. The Director of Human Resources said that the classification section will look at that.

Chair Souki asked if it was a time issue in creating the positions or is there another issue to consider. The Director of Human Resources said that they have to do a desk audit of the type of work they do and have to price them and compare those with other areas. Chair Souki assumed that it's therefore a process issue. The Director of Human Resources said that HART has said many of the positions are just for building the rail and they won't need them for the operation side, that they just need them for a few years to develop and build the project, then they won't need them any longer.

Commissioner Ikeda asked if the Department of Community Services (DCS) could be combined with DHR. The Director of Human Resources explained that DCS provides housing and works on federal section 8 housing. A lot of their funding is federal so positions are of limited terms or are exempt. DHR does different work. Commissioner Ikeda pointed out that the Charter describes DCS as an agency to develop and administer projects, programs, and plans and actions for human resources. The Director of Human Resources explained that DCS isn't normally involved in human resources issues but that they do social services work. It was explained that the departments have totally different roles and combining them might not be advisable. Commissioner Ikeda noted that the descriptions of their powers and duties might need to be changed.

Commissioner Soon noted that the Civil Service Commission provisions seem outdated. For example, it states that no more than three members can be of the same political party. It was noted that the language is very old and that the provision was originally to prevent one political party from dominating the Commission. A bigger issue is the provision that describes "blue collar skilled" workers. These cases are much more complex these days. Commissioner Soon said the Commission would welcome any suggestions or proposals for amendments.

Commissioner Oshiro pointed out the need for flexibility in the requirements for department heads, especially when hiring for more challenging, difficult-to-fill positions. The Director of Human Resources explained that the Charter has such provisions but the Mayor can waive these. Deputy Ono said the residency requirement is the toughest. Mayors look at Hawaii first but need to be able to go outside if necessary.

Department of Information Technology - Mark Wong, Director and Deputy Keith Ho

The Director explained that the Department of Information Technology (DIT) is a new department and their emphasis today is on staff with the highest level of competence and excellence. They develop their own applications and continue to work on developing integrated applications though total integration is not achievable. Their goal is to make government more efficient to run with as few employees as possible, spending as little money as possible. They serve the inner workings of city government and provide services to every department and commission. They also serve state government, the Judiciary, the Department of Transportation, and the Elections Office plus all other counties for motor vehicle and drivers licensing functions. They do nothing for BWS except to meet and advise them. They do Information Technology (IT) for HART and some other agencies. They run a 24/7 IT service. They can never be down because of safety concerns and must keep the mainframe operations running. Recently, they added document scanning as a means of getting rid of paper for city. They are currently reorganizing and have five divisions:

- Applications Division;
- Tech Support Division that maintains all computer systems, enterprise storage systems, computer and network security, identity management, including badges, email and calendaring, physical security such as locks and cameras, and 911 systems;
- Radio and Network Division for digital radio system coming in;
- Enterprise Resource Planning Division (ERP) that manages all hardware and software that provides human resource and budgeting fiscal systems.
- Computer Service, attached to ERP that supports all software and hardware and the Help Desk and operates the mainframe and network systems 24-hours/day.

Commissioner Broderick asked if the Charter allows them to service the State, and if the Charter should be amended. The Director said he can't find the authority either in the Hawaii Revised Statutes or the City Ordinances. The State pays no money for the service. He would prefer not to provide these services. For example, for elections and voter registration they print the poll books for all counties. Public safety applications are more difficult. They maintain Real ID, driver's licenses, and motor vehicle registration for the entire state with very low compensation. The State should pay more. DIT can only maintain them. Modernizing would be too difficult and expensive. Public safety answering points are within Police, Fire, and Emergency Management Systems. Each county is separate.

Commissioner Rae asked if the other counties compensate DIT for its services. The Director said just a very low amount, a token amount. Commissioner Rae asked if they

should change the Charter to require compensation. The Director said the counties couldn't run these systems. The State Department of Transportation reimburses them somewhat. Commissioner Rae pointed out that it's not fair for Honolulu to support the other counties.

Commissioner Waihee asked if the City Council and Mayor are aware that they are supplying these services to others. The Director replied in the affirmative. Commissioner Waihee asked why not stop these functions right now. The Director said that wouldn't be possible. For example, without Real ID, and drivers' licenses, a person couldn't fly.

Commissioner Fujimura noted that the DIT section in the Charter is very short and contains no authorization to provide these services to others. They could provide for such services but would need compensation. The Director said they attempted to get rid of functions they performed with no compensation but getting rid of voter registration would result in no elections. The Judiciary has been working on a replacement system but its key person is gone and not able to finish the project. DIT's rates haven't been raised in 30 years or so. The State needs a plan to run the systems the state is supposed to be running. Commissioner Fujimura suggested giving them a bill, but keep the service running. Commissioner Mulligan asked what the total amount of subsidies to all non-City entities is. Commissioner Fujimura explained that he wasn't suggesting they bill them but suggesting that the Charter could be changed to provide free services. Commissioner Waihee asked how much support for these functions is connected to providing services to other departments. For example, most of the elections, voter lists, etc., are done by the City Clerk's office. The Director answered that DIT doesn't run the elections but just helps with the voter registration. He said the City accounts for 90% of the transactions in the State. DIT would be doing it anyway for the county so the additional cost for other counties is much smaller. The City accounts for about 5%; 1/3 of their expenses are attributable to state functions and they reimburse about 1/3 of that but it's hard to quantify. He noted how very complex it is to figure out the exact costs for DIT.

Commissioner Waihee asked if the motor vehicle issues are city functions. The Director explained that a lot of the money goes to the State — state highways is responsible for that, but he's not sure how it's divided up. Commissioner Souki asked if DIT is doing more than most. The Director stated that there is a need to modernize the public safety applications such as driver's licenses and real ID. Then they can cut the costs. But to save those costs, they have to modernize first, and the State would have to pay for that.

Commissioner Ikeda asked if the State DOT Highways Division gets money from the federal government to cover the costs of its operation. The Director said they get some federal money. American Association of Motor Vehicle Administrators (AAMVA) are all funded similarly except Hawaii. The funds don't always go to the department that's doing the work. Commissioner Ikeda asked if the State Constitution requires the State to pay for mandated county services and, if the federal government said the State should be paying for it and the State isn't, then the state should be required to pay. The Director said that the State DOT never said they have to do the work without pay, but when they figure out the costs, the State scrutinizes the costs. Commissioner Ikeda said that the funds should be transferred to the agency doing the work. She asked whether, instead of shutting down the operation, it could be

transferred to the State. The Director noted the difficulties in doing that. First, the technical reason is that the State doesn't have 24/7 computer services, which would be necessary. It would be very difficult to do that though the State is working on it. Commissioner Ikeda thought that DIT is being too nice. For example, if the Mayor wrote the Governor, explaining the issue of DOT funding, it would be up to the State to figure it out. The Director explained that if it was turned over to the State, the system wouldn't work well and the City would suffer. Commissioner Souki noted that the Commission might have to look to DIT if the Commission decides to draft a proposal. Commissioner Ikeda insisted that any services provided for any entity other than the City must be compensated.

Commissioner Waihee suggested meeting with the Mayor and City Council to discuss the intergovernmental relationships to see if there's a place in the Charter to address some of these issues so the City could be treated more equitably. Commissioner Fujimura thought it a question for Corporation Counsel and believes there's a lot of latitude in terms of what can be done.

Commissioner Souki thought the issue of giving services away for free could be taken up by BFS. The Director explained that they went to Corporation Counsel for an opinion and came to the conclusion that there is no law that says that DIT should be doing these things.

Commissioner Fujimura asked if DIT is even allowed to do these things and if DIT is operating outside of the Charter. Commissioner Ikeda noted that she did not think DIT was operating outside of the Charter because its powers and functions are so broad. The only exclusion is for the systems maintained by the BWS and any other semi-autonomous agencies created by ordinance. She continued that HPD has a similar problem with their systems. She asked if, when a department like that decides to get a new system, they check with DIT. The Director said he's met with HPD monthly about this — for the past two years. He works closely with departments putting in new systems, and does the same for BWS so that they now share technology. Commissioner Waihee asked why BWS was excluded to begin with. Chair Souki answered that it was because they're autonomous.

Public Testimony

There was no public testimony.

Commissioner Fujimura wanted to know if the Liquor Commission and the Civil Service Commission would be giving a presentations. Chair Souki explained that the Executive Administrator has been coordinating with Mayor's office and the City Council and pointed out that the Commission can request or invite anyone to come. Commissioner Soon would like to hear from the Transportation Commission and possibly others. Commissioner Ikeda mentioned that the Pension Commission was probably obsolete.

Chair Souki explained that the idea of these meetings is to get information. If there are specific questions, give them to the Executive Administrator for her to circulate for consideration. Commissioner Soon said that she thought these presentations and discussions have been

wonderful, that many issues are surfacing. She is looking forward to exploring the issues more deeply in future discussions.

Chair Souki explained that under Rule 4, after October 31, 2015, the Executive Administrator and he will put the proposals into categories and submit them to the Commission that way. Then the Style Committee can develop recommendations, and get the proposals back to the Commission and so forth. Commissioner Soon asked about the model for Commission-generated Proposals. Is October 31, 2015, the deadline for all proposals, even from Commissioners? So, if a Commissioner wants to submit something, it has to be done by October 31, 2015. She asked when they would be able to discuss the issues

Chair Souki suggested they follow the framework of rules of past Commissions. They just need a vehicle to talk about an issue, and can add text, etc., as they discuss the broad issue. He explained that if you have a title and basic sketch, you must have it in by October 31, 2015. The Commission can work with whatever's submitted, it has lots of flexibility to redraft, etc.

Commissioner Oshiro pointed out that a supermajority of the Commission will be able to add proposals after October 31 to fill in any gaps. They have until the end of November. Commissioner Rae asked about a forum to discuss issues. Chair Souki explained that before October 31, 2015, or before November 30, 2015, they can have free discussions during future meetings. Commissioner Souki explained that the Style Committee will evaluate and make recommendations based on substance.

Commissioner Fujimura suggested that between the submission date and the Style Committee's review they take all input and add their own. Commissioner Waihee noted that usually the Style Committee gets the proposals after the Commission. Chair Souki explained that under the rules the Commission has flexibility for review. They can take the proposals from public and work from there. The only hard date is Oct 31, 2015, but the Commission can still make other changes. But they absolutely have to get to Clerk's Office with enough time to get onto the ballot.

Commissioner Soon noted that the Deputy Corporation Counsel had reviewed 4-5 different Commissions with different models. There is no need to follow any one. She also noted that a researcher has been hired who can look at other jurisdictions. The Deputy Corporation Counsel noted that there were a lot of proposals for previous commissions and that the commissions first voted yes or no on each. Then they picked the ones to focus on. This Commission can disagree with something but use it as a base for something else. It is not constrained and can develop what they want to look at. The Commission can either amend the entire Charter or just pick proposals they want. Commissioner Soon noted that this is not necessarily a total revamp, but there are major issues without enough information to make it into a proposal. She noted that by the time they do, it'll take more investigation and the need to bring in the right people for discussion. It shouldn't be left to one Commissioner to do all the work on a particular proposal.

Commissioner Rae thought there was a difference between topics to investigate and specific proposals. For example, roads as opposed to establishing a single public works department. The Mayor will come up with some ideas also. Come October, having broad categories is fine. He opined that if discussions like this are part of every meeting, it will work well.

Chair Souki emphasized that he doesn't want to amend the rules. After these info briefings, he suggested the Commission address specific areas and we can hold meetings on specific issues. Commissioner Mulligan thought that the final November 30, 2015, deadline might be too soon. He suggested that maybe rules will need to be amended. Chair Souki explained that the November 30, 2015, deadline is only for receipt of proposals. The Commission can still amend proposals after that. He said it's important to let people know what the Commission will be talking about at their meetings. Commissioner Soon pointed out that after all the briefings, they will get an early showing of things that come to mind and be able to flesh them out. Commissioner Waihee noted that they have staff support and can point them into whatever direction they should go. For example, he wants to know why there's a BWS. Commissioner Soon added her interest in HART: Why was it only authorized through the construction phase. Are its operations a Charter issue? If not, why not?

Chair Souki said that after the informational briefings, the Commission will have focused topics to talk about. They can provide the Executive Administrator with some questions to get answered.

Commissioner Rae said that if an issue can be addressed by ordinance, then that should be the way to do it.

Commissioner Soon noted that the Friday night briefing contains three major issues: Department of Planning and Permitting, BWS, and HART. Commissioner Souki asked the Deputy Corporation Counsel if a meeting can be continued. She replied in the affirmative, explaining that the Commission just needs to recess and the continued meeting would not require reposting. The Executive Administrator was directed to poll the Commissioners and determine the time and date for the continuation of the meeting. Commissioner Soon strongly suggested that HART and BWS provide their presentations after recess on another day.

VII.ANNOUNCEMENTS

None.

IX.ADJOURNMENT

Chair Souki adjourned the meeting at 6:15pm