

Charter Commission

CITY AND COUNTY OF HONOLULU

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



THURSDAY, AUGUST 27, 2015

4:00 P.M.

COMMITTEE MEETING ROOM

HONOLULU HALE

MINUTES

Charter Commission Members Present:

Jesse K. Souki, Chair

David W. Rae, Vice Chair

Judge Michael F. Broderick (Ret.)

Kevin Mulligan

Nathan T. Okubo

Paul T. Oshiro

Cheryl D. Soon

Edlyn S. Taniguchi

Governor John D. Waihee III

Charter Commission Members Absent/Excused:

Reginald V. Castanares, Jr.

Guy K. Fujimura

Donna Ikeda

R. Brian Tsujimura

Others Present:

Dawn Spurlin, Deputy Corporation Counsel, Department of the Corporation Counsel

Linda Oamilda, Executive Administrator, Honolulu Charter Commission

Mary James, Research Analyst, Honolulu Charter Commission

I. CALL TO ORDER

Chair Souki called the meeting to order at 4pm.

Roll Call

II. FOR APPROVAL

Chair Souki asked to postpone approval of the July 27, 2015, minutes, as there were some problems putting them together. Commissioner Soon asked if the minutes were just one set with all the meetings combined into one. Chair Souki responded that it will be one set.

II. Executive Administrator's Report

The Executive Administrator introduced the new the secretary, Norma Reyes, mentioning her background and government experience as having worked for the State Comptroller and the State Chief Information Officer. She was one of the top two candidates discussed in Executive Session at the July 27th meeting. She explained that because the secretary accepted the job offer, the Executive Administrator did not have to use the authorization the Commission gave her on August 6th to directly hire a secretary without Commission approval.

The Executive Administrator said that the Commission has received two proposals which are posted on the Honolulu Charter Commission website. She explained that there are still some problems with the online proposal form, that it needs to be amended to make it easier to read.

The Executive Administrator said that the first proposal was submitted by a person using the online submittal form. The proposal suggested including a direct reference to the State Sunshine Law in the Charter section that creates the Planning Commission. It would require the Planning Commission staff to provide the American Planning Association training for the Planning Commissioners and every Corporation Counsel assigned to the Planning Commission.

The second proposal came from the City Clerk. His proposal addresses the need to change the ballot dates of special elections to meet new requirements.

The Executive Administrator next addressed the Budget Report handout stating it was the year-end Budget report for fiscal year 2015. Out of a total approved budget of \$150,000, the Charter Commission spent only \$31,473.18, returning \$114,384.35 to the general fund. She noted that the Budget approved by the City Council for this fiscal year was for \$308,268. She explained that she will need to work with Commission Budget Committee Chair Tsujimura and members Castanares, Mulligan, and Taniguchi to revise some of the budget categories. For example, the total amount in the salary category is \$202,500, but the Commission-approved advertised salaries for the staff positions actually totaled \$220,000. She also pointed to the need to set aside funds for budget items that were not contemplated when the Council approved the Commission Budget. She said it was her understanding from Council administrative staff that the

Commission has the authority to revise the budget categories and may move the monies around, keeping within the authorized Budget totals.

The Executive Administrator told the Commission that the Council Fiscal Administrative Officer has been assisting Commission staff with procuring the services for the website upgrade, maintenance services, and Olelo telecast services. Unfortunately, his meeting with the Department of Budget and Fiscal Services (BFS) Purchasing was postponed until next week. He is also checking with Corporation Counsel (COR) about an issue that arose regarding Olelo services and whether the Commission staff can work directly with Olelo or work with a third party.

The Executive Administrator explained that the second handout provides a proposed meeting schedule for the rest of the year. The proposed tentative four-month schedule works around the Council Meetings, Council Committee Meetings, holidays, the six-day agenda posting requirement, and prior room reservations for the Committee Meeting room. She said staff would try to accommodate the Commission members if there are some dates they would like changed, if any of the dates are not workable.

The Executive Administrator next talked about the handout that lists the boards and commissions based on the discussions from the briefings by the departments, since the Commissioners mentioned this was the next group of City-related entities that they wanted to learn more about. The Executive Director noted that she has made preliminary contacts with the Police Commission, Fire Commission, Ethics Commission, Salary Commission, Board of Water Supply, and HART Board. It appears that they may be able to attend the September 3rd scheduled meeting. Commissioner Soon asked if this would include all of them at the same time. The Executive Administrator said that she could revise it, explaining that she made the contacts to see if they would be available for the September 3rd meeting. The one exception is the Liquor Commission that holds its weekly meetings every Thursday at 4pm. If the the Charter Commission wants to hear from the Liquor Commission, the Executive Administrator stated that will need to schedule them on a day other than Thursday. She also told the Commissioners that she has been unable to check with the Transportation Commission and Civil Service Commission, the other two commissions that they discussed.

The Executive Administrator mentioned Chair Souki's outreach efforts noting that he has contacted a number of businesses and organizations about the Charter Commission and hopes to hear more from Chair Souki on those efforts including Enterprise Honolulu and others. She also noted that Chair Souki created a Facebook page for the Charter Commission. As part of Chair Souki's outreach efforts, he has contacted Professor Burkett regarding the climate change issue. He also contacted Associate Dean Antolini from the University of Hawaii Richardson School of Law to discuss having an extern at the Commission help staff do some research. At the suggestion of Associate Dean Antolini, the Executive Administrator contacted Dale Lee, the Director of Professional

Development, to offer externships for second and third year students. Unfortunately, she learned these externships are done well in advance of the start of the semester. However, he was kind enough to post the request. She told the Commissioners that she has received an inquiry from a law student interested in volunteering instead of doing a formal externship and hopes other students will want to volunteer.

Regarding operational issues, the Executive Administrator shared that the office finally has voicemail working. On August 7, DIT (Department of Information Technology) fixed the phone issues. Another issue was a number of power failures in the office. Having reconfigured some of the connections with extension cords, it seems to be working better. Unfortunately, the power failures appear to have caused one of the hard disks to fail and some of the website work was lost. Recovering the lost data caused a setback and staff has yet to finish all the work that needs to be done on the website. In addition, staff is trying to obtain the services of the website designer to upgrade and maintain the site. Chair Souki asked if there were any questions from the Commissioners.

Commissioner Soon asked about Olelo, saying she did not recall any discussion of needing to have a third party. The Executive Administrator responded that the person she contacted was Glenn Booth who provided her with the initial information. She learned he does not work directly for Olelo, but is actually a third-party, and explained why his fees are a little higher than Olelo's fees. From the Executive Administrator's understanding, there was a lawsuit concerning the transfer of City funds to Olelo which COR has been asked to review. This was about ten years ago, according to the Council Fiscal Administrative Officer, so he is checking on whether that can be done. If the Commission deals directly with Olelo, it would be a lot cheaper, but the Commission might have to go through a third party.

Commissioner Soon commented that she thought there was discussion about requiring the contract to be put out for bid, in which case, presumably, Olelo and Glenn Booth and anybody else could bid for the contract. She explained that she doesn't see why the Commission can't just proceed with that. The Executive Administrator said that if the Commission is comfortable with just putting the work out to bid, she can work with the Council Fiscal Administrative Officer on that. Commissioner Soon continued that, while they can talk to a third party, it may not be in the best interests of the Commission. She told the Executive Administrator to get whatever support she needs from the Council to prepare a request for proposals (RFP) or any other method of doing it so that the Commission can get bids, make a decision, and move on considering the time and schedule. The Executive Administrator assured the Commissioner she will work with the Council Fiscal Administrative Officer on this subject and get his advice on the bid process. From what she understands, the Council does an RFP. Commissioner Soon

voiced her concern that time is ticking and wonders what the Commission can do to give staff directions to move on with it.

Chair Souki commented on the importance of having the Commission hearings recorded, especially after October 31, when there will be discussions about specific agenda items. He requested the Executive Administrator to expedite whatever can be done. Chair Souki noted that it's close to September so an RFP done around now would not get to a contract by October.

Commissioner Soon suggested copying the Council's contract and replace the Council's name with the City Charter Commission. She didn't think it would take an overabundance of effort.

The Executive Administrator commented that the Council's RFP is a multi-year RFP; but will work with the Council Fiscal Administrative Officer, to proceed and expedite the request for one year of services. Commissioner Soon emphasized that she felt that rather than pursue these inane questions, the objective is that the Charter Commission wants to have these things on Olelo and concluded, "Let's get on with it." The Executive Administrator agreed to continue working on the contract.

Chair Souki asked for further questions from the Commissioners.

Commissioner Mulligan asked if the meeting with the the Police Commission could be on September 3rd because he wouldn't be in town for either the September 10th or 11th meeting dates.

Chair Souki suggested to have more discussion on that under the agenda item before talking about the Commission's next steps. He then asked for any other questions from the Commissioners for the Executive Administrator. Vice Chair Rae said that he submitted his availability dates to the Executive Administrator.

The Deputy Corporation Counsel asked Chair Souki when testimony would be taken. Chair Souki responded "after." Seeing no more questions, Chair Souki thanked the Executive Administrator.

III. COMMUNICATIONS

Chair Souki noted that they received a communication from Commissioner Soon entitled, Memorandum on Topics of Interest, dated August 15, 2015, saying it was very helpful and thanked her for her efforts. Chair Souki commented that it was really the basis for what staff prepared, highlighting issues for the Commission. He asked Commissioner Soon if there was anything she would like to highlight at this point or would she rather wait until discussion. Commissioner Soon responded that she'd prefer to wait until the discussion section. She also commented that she was trying to condense

her notes, and placed a star on those issues on which it sounded as if someone wanted more discussion. It would be pretty ambitious if the Commission wanted to work on all of them so she suggested that they could probably use some winnowing. Chair Souki thanked her.

IV. ACTION

Chair Souki noted that this section included: “What topic area meetings shall the Commission authorize the Executive Administrator to schedule, prior to the October 31, 2015 proposal deadline, to supplement the Commission’s study and review of the operation of City government under the Charter?”

Chair Souki commented that this is a free discussion and didn’t think there would be a need to vote on anything. They just need to give the Executive Administrator some direction on what the Commission wants these meetings to focus on, and propose a meeting schedule. In past meetings, the Commissioners discussed topic items of particular interest or reoccurring themes that they wanted to discuss. He suggested they could have one meeting dedicated to a particular topic area and if a whole meeting is warranted, they could have the meeting broken into pieces if there are shorter topic areas. Since the Executive Administrator mentioned it, one area that Chair Souki would like to discuss at one of these meetings is the issue of climate change and resiliency. He told the Commissioners that he has been meeting with Professor Burkett of the University of Hawaii Law School who’s been developing policy in the area of climate and resiliency for a long time. For many years the City has participated in a couple of grants such as the Rockefeller grant trying to obtain assistance for addressing resiliency and climate change. Sea level rise is a big issue and he thought it would be good for the Commission and the public to hear what those issues are for the City and perhaps how the Commission could address them through the Charter, if at all.

Commissioner Soon asked if they could make sure that the focus is on that last part— “what that has to do with the Charter.” Resiliency and climate change is a big topic 95 percent of which has nothing to do with the Charter. She reiterated that she would like their focus to get right to the heart of their goal, specifically if there are Charter issues involved.

Chair Souki agreed, stating he is not concerned with the 95 percent but that it’s the 5 percent that’s of concern; and one thing that Professor Burkett was looking at, that he appreciated, was a comparative analysis of what other municipalities have put into their charters with regard to climate, saying that would be interesting to see. Chair Souki suggested it might not be a full meeting, but maybe an hour. Chair Souki asked for questions.

Commission Mulligan suggested they devote a significant amount of time to the HART (Honolulu Authority on Rapid Transportation) issue. He said it seemed that, not only through their discussions but also what issues that are unfolding, even in the media, that this is a really pressing issue that needs to be addressed. He thinks as Commissioner Soon and others have mentioned that HART will basically be done with its construction phase within in the next five years or so. He pointed out that there will not be another Charter Commission for ten years. He continued that it seems that the State is at a very critical time to be thinking about how public transportation should be structured, for example, whether the City needs two agencies: DTS (Department of Transportation Services) and HART. He stated that, while it's great that they are talking and discussing synergies between the two entities, but he feels that it needs to go beyond that and the Commission might have an opportunity to move in a positive direction.

Chair Souki noted that the Commission is structuring a meeting like that and directing staff on who to call and how to set it up. Chair Souki asked what particular kind of issues they should discuss and whom they should invite to provide information at a meeting.

Commissioner Mulligan suggested HART and DTS. He noted that both are doing important and valuable work but he personally is beginning to think that there should be one transit agency; and they also need to consider the structure of the governing board and how that would work. He noted that obviously there are qualifications that could be put in the Charter. He continued that there is probably more that needs to be fleshed out and discussed in terms of whether one entity would handle both TheBus and Rail and whether that entity would be a department within the City or should it be a separate authority. He said that the point is that two separate entities aren't required to do this. He wondered how long it would take for that process to unfold if the Commission doesn't address it. He continued by saying that If the Commission isn't proactive, it may not be in the best interests of the taxpayers or the people of the City and County, in terms of making sure that these two entities are in fact working together and that it's seamless, that there aren't two bureaucracies that are operating concurrently.

Chair Souki commented on how the Commission should structure the upcoming meetings. For example, for the climate issues, Chair Souki said he would tell the presenters something along the lines of Commissioner Soon's comment, along the lines of a short white paper on the purpose of the Charter, and why changes are needed. Using HART as an example, he asked what the underlying issue is that needs to be addressed. He emphasized that this was for all of the Commissioners to consider.

Vice Chair Rae added, having been involved in transit and rail projects for a while, none of the Commissioners are transportation experts with the possible exception of

Commissioner Soon, who has been through it with Council. Vice Chair noted the issue comes up when the operational and maintenance phases are discussed. Currently, as the Deputy Director pointed out, the Charter authorizes HART to operate the rail line but there is a bus system. He continued that he thinks everybody agrees, there needs to be integration on several levels. One level is scheduling, timing, and other operational issues and the entire fare box and subsidy issue because neither the Bus nor HART will collect enough to handle the system at the fare box. As it is currently structured, essentially, presumably, HART will be submitting to the City the data, on a monthly, annual, whatever basis, it was doing. He asked if that were that the best way of preparing that. But, he said, it seems that certainly the people who are in charge of HART and the City Bus, including the Mayor at the apex, need to be asked what the Charter Commission can do to make it work or should the Charter Commission do nothing, in which case, he wondered how that would transpire.

Chair Souki asked to whom they should ask that question.

Vice Chair Rae suggested they ask it to HART, DTS, the Council because they're going to have to pay the budget, and the Mayor.

Chair Souki asked if the Commission would want the benefit of an outside third party evaluation, or anything they would like staff to look into to flesh out the items.

Vice Chair Rae responded, "not really." There are a lot of highly paid massively experienced people already employed one way or another by the City, and it's a matter of "tell us what we can do" as Commissioner Soon said once, "to help you do the job that needs to be done over the next ten years." He continued that he thought that was a request for them to tell the Commissioners what changes are needed. Vice Chair Rae also agreed with Commissioner Mulligan, that the Commission could independently look at qualifications, etc., for any commission. He said that somebody should have the experience, although, while fair to ask, it wouldn't necessarily need to be asked.

Commissioner Mulligan commented this he thought it a very good suggestion. He said that ultimately those are policy and political questions that have to be raised but then it's really up to the Commission to decide, based upon what they say, whether the Commission moves forward or not. He said he hoped that the Commission would be able to do something that's positive. He said his personal desire was to do something that's positive and that will help move that discussion along that wouldn't happen if they weren't convened as a Charter Commission. Maybe it would be a catalyst for change.

Vice Chair Rae agreed, said he thought the Commission's job, or at least the way he sees his job, is to ask the question to all of the City, "How do we help you service the people?" He noted that at least one person said not to do anything which is a fair

enough answer. The question they need to answer is, “Is there a way that changing the Charter helps you service the people better?”

Commissioner Broderick clarified that there are a lot of references today to HART and that the Commission wants to hear for HART. He asked if the Commissioners were talking about the Director and Deputy Director or are they talking about the HART Board.

Vice Chair Rae responded that he thought that structurally or at least procedurally, the letter would be directed to the Executive Director and the Chairman of the Board, saying, “Please tell us how we can help.”

Commissioner Broderick noted that the Commission has heard from the Director and the Deputy Director, and they originally said they weren’t going to propose any changes. Then after about an hour of discussion and input from the Commission members, they changed their mind. This was a little disconcerting to Commissioner Broderick that it would have to take that to change their minds. It raises the question whether the Commission wants to hear from them (the Director and Deputy Director) or whether they want to hear from the Chairman of the Board.

Vice Chair Rae commented that it’s a fair question and said he thinks both. Ultimately, HART, whether it’s quasi-independent or whatever it is, is essentially a part of the City and has to abide by the budget requirements of the City Council and Administrative requirements of the Mayor. He noted that there really are only two governing agencies—the City Council and the Mayor. He thinks they have to say where this all fits. He agreed that the Director can’t defer while the Board has to, and they’ve had a number of Boards with Directors that have said that the board hasn’t taken a position on that. He pointed to the Ethics Commission as one that said that, although he believes they are taking up some Charter issues.

Commissioner Soon advised that the Commission is probably going to address this issue on more than one occasion and it might be useful to start that process with today’s questions. She said that she thought that the tone the Commission wants is not to make anyone look bad. The Commission wouldn’t want them to feel the need for a public relations campaign about how lovely everything is. If this discussion can be communicated that the Commission understands it’s a tough job and an important job and is looking at how to help with those things that can be foreseen as possible obstacles and how to work through them. The question of the semi-autonomous nature of HART has been pretty fundamental in their discussions and if she represented HART she would defend it vigorously because they want independence. She said she’s unsure whether they are talking about the Chairman of the Board or the Executive Director, and how much they would step away from that kind of recommendation. She explained that the reason for the concern is that after the construction component, City functions

become crucial again, whether it's extensions, TOD (transit-oriented development), subsidies, fare setting, and so forth. Therefore, she inquired if those were issues best left to a set of appointed people with or without qualifications stated in the Charter. She explained that she posed that question without any bias. She concluded that it may be the single biggest issue that the Commission will tackle, because it overlaps so many other places.

Vice Chair Rae suggested, as Commissioner Soon said, that this is going to come up over and over again and not just necessarily with HART or transportation. He suggested that they should make sure that when issues like this and questions of importance are discussed, that the Executive Administrator gets a copy of that transcript or of the minutes, as soon as possible, to the Mayor, the Chairman of the Council, the Director, and the the key people in whatever agency they are discussing so these people can see what the issues are and can consider how the Commission should address them.

Chair Souki commented that, listening to the discussion, his focus is: What are the issues? Who does the Commission invite? How does the Commission present the question to them so that the Commission gets an outcome from the meeting that helps the Commission. The Commission needs to either take no action because the Commission is satisfied or prepare a proposal because the Commission thinks that it would help government. He agreed with everything that was said, particularly the idea that this is not an inquisition but that the Commission is trying to make government better for the people and everyone's a partner in this. The Chair continued that he hadn't really heard the problem concisely stated yet so asked, what should he or the staff ask out of whom, concluding that it's a tough question.

Commissioner Mulligan said he thinks there are multiple problems or issues. One he touched on is the issue of having separate, independent, transit agencies functioning post construction. To him, it seems like a huge issue. Then he pointed out, as Commissioner Soon and Vice Chair Rae talked about, there are myriad of other issues that come out of that, that affect, for example, TOD, zoning, land use, and planning. He also brought up another issue, that he thinks would be important to look at, even though the Commission can't delve too deeply into it. This issue is that ultimately the viability of rail to a large extent is also dependent upon the financing and he said he was very concerned with some of the statements that came up. He said he thought it very short-sighted, that HART did not cut down on expenses up front by purchasing land around transit stations which would have been an opportunity for development, because ultimately the fare structure will not cover all the expenses of the rail. He wondered how this agency, if it were to be combined and structured, would also hopefully get into making it more efficient and effective in terms of "getting the bang for the buck" with the transit dollar, because ultimately, he said, that's going to be very important in terms of the viability of rail. He said those were just a couple of main

issues and continued that he thinks the basic organizational structure in governance is key, and there are a lot of other issues that spin off of that.

Commissioner Soon suggested posing a paragraph or two, as Commissioner Mulligan described it, and asking Council, Administration, and HART to assign someone to come and engage in the dialogue with the Commission, so they know the issues that are on the Commissioners' minds. No presentation would be necessary, but this would allow the Commissioners to ask the questions. She said to let them choose whether the Executive Director or the Chairman of the Board or another would attend. Chair Souki commented that was a good suggestion.

Commissioner Broderick commented that he thinks there is value in having the Chairman of the Board because he thinks what the Commission saw, to some degree, was the Director saying "I need to check with the Chairman of the Board" or "I'm going to consult with the Chairman of the Board" or "that decision is the Chairman's decision." Therefore, he recommended inviting the Chairman. Commissioner Soon commented that was fair.

Chair Souki asked if that would be one meeting, solely on HART. Commissioner Soon commented that it would probably be the first of probably several.

Chair Souki said he thought that the whole discussion about HART, and the functions of the Board, Commission, and its relationship to the City has relevance to other issues that the Commission is interested in, in different areas, so it makes a good template.

Commissioner Soon commented that "if it fits in that sooner or later" category, there is still an open period for people to submit proposals, but it's unlikely that anyone would submit a proposal worded with the kinds of concerns that the Commission has so it may have to, at the end, write its own proposals or set of recommendations to go out for public comment and then maybe be voted on. Chair Souki agreed.

Commissioner Mulligan shared that perhaps the Commission could look at other models that could be viable in Honolulu. He said he had done some very, very rough preliminary research on other transit agencies and other municipalities just to get ideas, knowing a little bit about certain public transportation systems that he's personally taken.

Chair Souki commented that would be very good. With all this, he said he plans to work with staff to craft a message based on the Commission's conversations and draft a letter to reach out to invitees. He asked for materials and information, if any, and said he would share it with the Executive Administrator. He advised that the Commissioners can't share them with the other Commission members because of the Sunshine Law but they can share it with the Executive Administrator. Commissioner Mulligan said he will forward them.

Vice Chair Rae commented that the Chair could also call the individuals and have a discussion of what the concerns are, what is happening, and ask how they might like to help the Commissioner participate. Chair Souki responded that it could take the place of a letter. Vice Chair Rae suggested those discussions could supplement a letter.

Chair Souki agreed and declared that the concept is to craft it based on synthesizing what the Commission has been talking about. Commissioner Soon noted that she thought calls were fine but thought that they should give the same paragraph message to all of them. She stated that to do a more casual phone call, they may come away with different understandings. Vice Chair Rae thought that that was a very good point. Commissioner Mulligan agreed.

Commissioner Soon continued that she thought that they should capture the essence of this discussion in a very brief memo and just say that the Commission is going to have a meeting devoted to this topic, and the Commission would like the person to participate in the dialogue. Vice Chair Rae added that the memo could include a transcript of the meeting so the recipient can understand what the Commission is asking. Chair Souki commented that the next meeting is September 3rd. Commissioner Soon stated that that is next week. Commissioners Broderick and Mulligan agreed it's next week. Commissioner Soon commented that it does not give them much time. Vice Chair Rae advised the others that he wouldn't be there.

Chair Souki responded to Commissioner Soon, "not for them." He was thinking strategically, that they could approve the minutes, and have something to share with them. So the September 3rd meeting will probably be some other topic area. It may be too early for the climate folks. Chair Souki asked the Executive Administrator if she could get different boards to attend the next meeting. The Executive Administrator responded that she has contacted the Police, Fire, and others. Chair Souki then invited the Executive Administrator to again share information about the boards and commissions with the Commissioners.

Commissioner Soon commented that, "there are boards and there are boards." As the Commission learned, there are certain types that get to hire the Chief, such as the Police or and others, which is one type of commission. She continued that there are commissions like the Salary Commission which is like the Charter Commission as they convene for a single purpose. She also noted that there's a middle group of things that just keep "chugging along" and are attached to some agency. Commissioner Soon suggested that they not mix them up as they are not "one flavor."

Chair Souki agreed and commented that some are advisory, some have authority to do things—like hire and fire. He asked the Executive Administrator to just give the Commission the flavor of what she was looking at, for discussion.

The Executive Administrator commented that she contacted commissions and boards based on discussions about which ones the Commissioners wanted to hear from immediately based on the informational briefings. She identified the Salary Commission, the Police Commission, the Fire Commission, the Ethics Commission, the Board of Water Supply, and the HART Board, and the Transportation Commission and Civil Service Commission. Those were specifically mentioned in the minutes that the Commissioners wanted to hear from.

Chair Souki proceeded to say for the September 3rd meeting but Vice Chair Rae reminded him that he won't be here. Chair Souki said he thought they had a quorum for that meeting.

The Executive Administrator said that, with the exception of the Transportation Commission, the Civil Service Commission, and the Liquor Commission, the others were contacted and said they are available on September 3rd. She explained that was the starting point for the next meeting, in terms of which boards and commissions the Commissioners were most interested in hearing from. Chair Souki, noticing heads shaking, asked if this is a good agenda for September 3. There were a number of affirmative comments from the Commissioners.

Commissioner Soon commented that this was an issue that was important to Vice Chair Rae who would not be at the September 3rd meeting and asked if it were necessary to have a meeting three weeks in a row.

Chair Souki commented that he wanted to have the minutes approved so they could be circulated but that can wait for the next meeting.

Commissioner Soon suggested climate change for the next meeting's topic and that they wait for the boards and commissions meeting until Vice Chair Rae would be able to attend, commenting that Vice Chair Rae was the one who first brought up the topic of the boards and commissions.

Commissioner Broderick suggested keeping the meeting on the 3rd whatever the topic is. Chair Souki reconfirmed keeping the meeting for the 3rd

Chair Souki related that the next meeting would not necessarily have to be boards and commissions. The Executive Administrator responded that they were just contacted to give them notification of a possible meeting. Chair Souki requested that boards and commissions be kept as an agenda for a future meeting; and to coordinate with Vice Chair Rae's schedule.

The Executive Administrator asked if he meant the boards and commissions and HART. Chair Souki affirmed both. He commented that for HART, the only restriction is that he wants the Commission to approve the minutes first so they can send them the relevant portions. He summarized that those are two separate meetings and the third

meeting, would include climate as a part of a meeting. So he concluded the Commission has three areas of concern: the boards and commissions mentioned by the Executive Administrator, HART, and the Climate issue, just the list that the staff put together and the issues that Commissioner Soon wrote about. Then Chair Souki asked Commissioner Soon if there are there any other issues she would like to add based on what she wrote in her Memorandum. Commissioner Soon answered "Planning". Chair Souki commented that planning is important and Commissioner Soon said she thought they needed an entire session on planning.

Chair Souki asked how the Commissioners would like to structure that meeting? Commissioner Soon remarked that to get the ball rolling, there were several previous Charter Commissions that reviewed this subject. She commented that she thought the Commission needs a research staff to give the Commission a recap of that, what the debates were, and what the resolutions were, and why, so that the Commission doesn't just reinvent the wheel. She said she knows that the American Planning Association has been meeting weekly to come up with a proposal. Chair Souki asked if Commissioner Soon thought they would be ready soon. He also asked who is leading it.

Commissioner Soon answered Katia Balassiano. She revealed that George (Atta) has been attending it. In response to Chair Souki's other question, she replied that they are probably looking toward October. She added that having a discussion as to what the issues and planning are, which the Commissioners have been having in the past is far more than the simple issue of whether DPP (Department of Planning and Permitting) is together or separated. It's been more about how the planning function works and how do the various departments that were stripped of planning staff, like Parks, engage in the planning process. It's a big picture issue. She commented that she thinks they need a model more than just having people come and talk to the Commissioners about it. She also imparted that the Commissioners may need to address some questions to staff to look at things for the Commissioners.

Chair Souki requested the Commissioners to forward questions for staff to put together for the planning portion.

Commissioner Soon suggested researching the past, referring to the materials provided by the Deputy Corporation Counsel from the previous Commission. She suggested that staff master that information and be able to tell the Commission on every issue, but certainly planning, including why people debate it, what were the options they looked at, and what were the outcomes.

Chair Souki commented about the APA, the American Planning Association, Hawaii Chapter, mentioned by Commissioner Soon and asked if there were an individual who has wisdom in this and who has been through it.

Commissioner Soon said there were many and named Kem Lowry of the University of Hawaii who was on a previous Charter Commission, as was John Whalen and Jan Sullivan. She explained that several of the past planning directors have been on Charter Commissions and have been through this.

Chair Souki named Kem, whom he contacted, and said he would be a good person to share his experience with the Commission. Governor Waihee suggested a panel of three or four of these persons.

Commissioner Mulligan mentioned that he is not comfortable with the answers from DPP about long-range planning. He said he thinks that it ties in with the line departments and deferred to Commissioner Soon on the issue of permitting and planning being in the same department. He said he sensed that there were trade-offs and that they could do it anyway, trying not to be critical of the City departments or personnel that came to their meetings. He said he just didn't feel comfortable that this issue was really resolved, and suggested the Commission may want to look at that within the planning issue.

Commissioner Soon mentioned a third component to planning and to permitting, which is there is deal-making. She pointed out that things have to get done, and there's never a right entity in the organization for doing that. She pointed that the long range planners are supposed to be neutral. She noted that permitters are the end of the line, having the final review.

Governor Waihee stated that it might be good to have four or five of these people and also named Harold and some State planners to talk about their perceptions of the strengths and weaknesses of the current system, dealing with some of the structural issues. It would be good for a spectrum of these individuals to tell the Commission why they think things work, and why other things don't, as opposed to just listening to one person.

Governor Waihee thanked Commissioner Soon for her Memorandum which was a good synopsis.

After this discussion on the type of meeting for Planning, Chair Souki then directed the Executive Administrator to prepare this as a single meeting.

To clarify, the Executive Administrator asked if the September 3rd meeting would just be on Climate Change.

Chair Souki answered that it would not be on Climate Change. He then asked the Commissioners what had been decided for September 3rd meeting since the boards and commissions were pushed to later date.

Commissioner Soon suggested that they check to see if Harold, Kem, and John Whalen can all come on the 3rd because that would make a dynamic panel. To the panel, Governor Waihee named Jan Sullivan, somebody who is not necessarily pro-planning.

Chair Souki then asked the Executive Administrator to contact the persons named and ask about their availability for the September 3rd meeting. Chair Souki will give contact information to the Executive Administrator after the meeting.

Commissioner Soon asked about getting back-up persons in case the Executive Administrator is unable to get the persons named. Chair Souki mentioned others, but it would be best to contact the four (Harold, Kem, John Whalen, and Jan Sullivan. If two or three of them are available, the Commission could still have the meeting. Chair Souki suggested perhaps including someone from the Administration, from planning, and wondered if the Commission could have questions for them or would that be more about learning from “outside looking in” and past experience. They could also join in the conversation.

Vice Chair Rae commented they may want to attend.

Governor Waihee asserted that he thinks the Department deserves its own moment and department staff should be here and they should be available for questions. But in terms of the actual function of the panel, he commented, this is a shot for the private sector. In a way, he said, the customers should plan it. Vice Chair Rae commented, “some of them more than others.” Governor Waihee added, “people who deal with it.”

Commissioner Soon asked if, at the same time, the Commission should also ask them about the Planning Commission, whether the City still needs and wants a Planning Commission. Vice Chair Rae responded that they should. Governor Waihee said they should ask if they need a Planning Commission, does it hinder the Department’s ability to get things done for example, and how much oversight is good oversight.

The Executive Administrator inquired if the Commission wanted someone from the planning commission also. Chair Souki responded that they should invite them but explained, as the Commissioner said, this meeting will be more from an “outside customer perspective.”

Governor Waihee suggested after the hearing with the panel of planners, the Commissioners could then ask questions of the Planning Commission and for their opinion. Commissioner Soon added “almost a reaction panel.”

Chair Souki asked for any other comments about the Planning meeting. The Executive Administrator asked for an alternative topic for the September 3rd meeting if the planners were not available.

Chair Souki asked for discussion, and mentioned it can be anything except boards and commissions because Vice Chair Rae will be unavailable.

Commissioner Soon suggested that the Commission simultaneously check with the persons on Climate Change and Planning on their schedule availability for September meetings and if they could be ready on September 3rd. Chair Souki commented that that's four or actually three and a half meetings.

Commissioner Oshiro suggested inviting the Administration to review their proposals. Chair Souki commented that it depends on when the Administration is ready with their proposals. If they are going to submit them on October 31st, then there's no time, but after that, there would be no reason why the Commission could not meet after Oct. 31st. Chair Souki asked the Executive Administrator to contact the Administration and the City Council to see if they're ready for one of the pre-October 31st meetings to discuss their proposals.

Commissioner Soon expressed that someone asked the following questions: "How do bond raters look at the organization of a city? What are the things that are important?" She asked how they would get at that, asking if the Commission should send a letter to Moody's.

Chair Souki stated that the Commission could get the BFS Director or somebody from its staff to make a presentation. He said that perhaps someone might know an expert in the community who would be willing to come and talk about the issue. He emphasized that this part of the Commission's meetings is just to gather information.

Governor Waihee stated that some of the rating houses may have people in Hawaii who could present such information. Vice Chair Rae mentioned the City Bond Counsel as well. Governor Waihee commented that is another key person.

Commissioner Soon commented that in the larger sense, the issue is: "What are current best practices?" She wondered if the rating agencies are looking at the number of departments, and perhaps fewer would be better, or if they are looking at how many boards and commissions there are. She pointed out that these are at least pertinent to the Commissioners' thinking.

Chair Souki suggested that for that meeting, the general topic could be "Good Governance." This would provide different areas such as: bond counsel opinions, an expert on good governance structure, and perhaps somebody to talk about the Sunshine Law and how it applies and how it works.

Commissioner Soon asked what the Commission could do since it's a State issue. Chair Souki agreed that it's not a Charter issue. Governor Waihee suggested that maybe COR could tell the Commission how they can do something, and see if there is an escape clause. He pronounced, "It's a State law, right?"

The Deputy Corporation Counsel answered that it is a State law and the Charter Commission is subject to the State law. Unless there is some exception like the P.I.G. (Permitted Interaction Group), but in general, there is no “escape clause.”

Governor Waihee mentioned that this Commission exempted itself from the Ethics Code. The Deputy Corporation Counsel added that that was because the provision was in the City Charter, so it’s not governed by State Laws. Governor Waihee asked the Deputy Corporation Counsel if there was another way to exempt them from the law. The Deputy Corporation Counsel replied that there wasn’t. The Commission is not like the Legislature which exempted itself from the Sunshine Law and records requirements.

Chair Souki then asked the Deputy Corporation Counsel if the City Bond Counsel has a contracted attorney. The Deputy Corporation Counsel responded that based on the practice, the City does have a Bond Counsel explaining that COR has worked with them. She said she believes they are on contract and so she doesn’t know if they would come because..., at which point Chair Souki added, “because of confidentiality.” The Deputy Corporation Counsel continued with her response that because the Bond Counsel would have to be paid, or the Commission might need to follow-up with either BFS or COR on that question. You can always invite them but if they respond that the Commission has to pay, that’s something the Commission would have to consider. Chair Souki commented that Bond Counsel hourly rates are the highest rates. He also commented that the issue is not just bonds but financing, how government finances everything, that it’s not just bonds.

The Deputy Corporation Counsel commented that those questions could be directed to the BFS Director because BFS has the knowledge on how government is structured, finances, responsibilities, duties, and functions.

The Deputy Corporation Counsel asked to make one suggestion based on all the Commission’s discussions. Aside from HART, she understands the concerns. With HART, she noted that the Commission can ask them what their plans are, as there was prior discussion or inquiry concerning what happens after construction. She continued that the Commission can always ask HART what their plans are. She suggested another consideration, that the Commission might be interested in looking at the 1998 Reorganization Plan to see if there are any areas of concern that need to be addressed. She said this goes back to Commissioner Soon’s inquiry about the Planning Commission because that was part of the 1998 Reorganization. She told the Commissioners that COR can provide copies of the report if they’d like to see it - either the Commission or the Mayor’s Reorganization proposal that was submitted to the City Council for approval. She explained that that proposal includes a lot of description and explanation as to why departments were consolidated or services were moved around. That’s another area that the Commission might want to consider.

Governor Waihee responded affirmatively. Chair Souki agreed that it would be helpful. He also mentioned that the original packet COR gave the Commission included the final report of the Commission but it didn't include the other things.

The Deputy Corporation Counsel responded that she understood, that it's much bigger and she will see what they have that can be provided to the Commissioners.

Commissioner Soon commented that is probably half of it and maybe the half that staff can do for the Commission since it has a researcher now. But, the second half is the intent and how it is working out. She said, "If everything is great and wonderful, we move on." Vice Chair Rae commented that this is the question only the Administration and the departments can really answer.

Chair Souki asked the Deputy Corporation Counsel that while making a determination for the September 3rd meeting, if somebody could speak to the Commission and give them a summary and complete understanding of the 1998 Reorganization and what went on. Vice Chair Rae commented he is not going to be here and he does not need the review because he served on that Commission. He suggested adding the submittal from Mayor Harris, and the justifications would be worthwhile for COR to distribute and perhaps do a little appraisal of what it was. Then the next step would be to look at how the departments created in 1998 are working. He continued that the other piece of information, which would be a good addition to that, at least as it regards what happened to DTS and construction and maintenance, etc., is the Auditor's Report on DTS, because it gives information about some of the problems that have arisen. Chair Souki asked if that was recent. Vice Chair Rae commented that he thought it was completed. Vice Chair Rae continued that it's illustrative of multiple departments involved etc., where it was once one department.

Chair Souki suggested that perhaps the Auditor could talk to them about that. Vice Chair Rae commented that the Auditor might be able to tell the Commission what he thinks worked and didn't work. Chair Souki commented that the meeting on September 3rd could be on the 1998 Reorganization, and pertinent information from COR.

Commissioner Soon commented on the discussion with the Director of Environmental Services (DES), who noted that stripping the construction program out of her department was harmful. Commissioner Soon discussed the Director's comments in the last two days in which she stated that there's discussion about putting construction back into the Department, and Commissioner Soon wondered if she was referring to the Commission's discussions. Commissioner Soon pointed out that DES has a consent decree and a lot of money that has to be spent and have another department to which Vice Chair Rae chimed in to do the construction and stop the flood.

Chair Souki pronounced that that was an astute observation. He asked if that situation was because of the 1998 Reorganization. He continued that, if so, the discussion was

very germane to what the Commission is supposed to be doing which is investigating how government works under the current Charter. The Director's comments were that lacking the construction program makes her job very difficult to carry out her mission; and in the recent comments in the newspapers she stated there is a communications problem. Chair Souki said that it seems to him that the breakdown in communications indicates she's talking about a program that is not under her control or in her agency.

Vice Chair Rae and Commissioner Mulligan declared their agreement with his statement. Vice Chair Rae continued, saying that he thinks that in following that thread, one might find, it is not just the public works issues or some of the transportation issues. He explained that from his perspective, problems caused by breakups were in the whole transportation services area and the public works area.

Governor Waihee commented that there seems to be two visions of how the City ought to be structured: the more traditional organization going through a drastic change the last time around. It may be worthwhile to compare how it used to be done to how it is done now, and whether it works now.

Vice Chair Rae stated that it's great reading of what Mayor Jeremy Harris's justifications were, and agreed with the Deputy Corporation Counsel who noted that it is a long narrative.

Chair Souki asked for a summary of the September 3rd meeting of the 1998 Reorganization to provide an opportunity to look at the documents in the interim. Then, he said, the Auditor could talk about his findings, about the most recent investigation of the related issue of that breakdown. He asked who would be in the best position to share information about the City's former structure and its current structure after the 1998 Reorganization. He thought perhaps someone who was there would have the knowledge to discuss which operations under the 1998 Reorganization were good and which were not so good.

Governor Waihee suggested perhaps someone from the Council such as Jim Williston who had been there for many years and could present the information from the legislative point of view. He guessed there were many people who could present the information from the Mayor's point of view.

Commissioner Soon suggested that the Director of Environmental Services naturally has a bias. The Commissioner said she saw an opportunity and presented it so that the Commission might pick it up. Governor Waihee said he thought that was good lobbying.

Vice Chair Rae explained that for historically purposes for some of it Commissioner Soon has seen both sides. Commissioner Soon laughingly said she would not do the briefing. Vice Chair Rae said he meant just in terms of knowledge.

Chair Souki asked if this line of thought would be helpful to other Commissioners

Commissioner Soon said she had mixed feelings about it. She shared her thought that people develop knowledge of things over the years with an accumulation of bits and pieces of knowledge. To get an understanding of how the City used to work and how it works now from an hour presentation is asking an awful lot of the presenter and the Commissioners' listening abilities. She said that understanding the 1998 Reorganization and the reasons for it would help to sharpen the questions of whether it was correct and still the way to go or if any of it needs to be unrolled and that would be a valid exercise.

Vice Chair Rae stated that might provide enough material to keep her busy.

Governor Waihee commented that there were certain overarching changes. The traditional model of a department built around functionality has changed because Mayor Harris saw something more about process. He actually reorganized the whole government around process as opposed to function. He noted that it also reflects the personality of the leadership. He said that Mayor Harris loved process. Commissioner Mulligan agreed.

Commissioner Soon stated that the single biggest one was the creation of the Department of Design and Construction (DDC). Commissioners Mulligan and Waihee both concurred. Commissioner Soon continued to share how Mayor Harris talked about it in terms of it becoming the biggest "AE" (architectural engineering) firm in the State and being the most talented. She continued that Mayor Harris said that if something went wrong somewhere he didn't want to have to figure out which department it was in, he wanted to go to one person and hold that one person accountable for construction. That was the philosophy that created the new system, but he was agnostic to his subject matter. For example, where a client such as Parks, cares a lot about the look of Ala Moana Park, the Neil Blaisdell, or any of the 200-some City Parks, Mayor Harris just got a job, for example to build a bathroom. There is no integration between the mission, such as doing parks, and the ultimate maintenance of it --- it's the CIP jobs and his responsibility is to build them. This is not to say he was insensitive, as there have been many good directors of DDC. The issue is that the departments that have missions don't really get much input.

Governor Waihee declared that this also affects the nature of planning which Commissioner Soon agreed with. Governor Waihee continued that there is a general plan, but at some level, there must be functional plans. There needs to be a foundation to carry out functional or action plans, or something specific. He also commented that according to what the Commission has heard to date that it is sort of disjointed. He said, "One level may be seeing and what may be happening on the patient level." So to look at planning, it's almost non-existent in some places and all planning in another. He commented that he found it interesting that ever since those changes were made, there are City Council resolutions going back to the old way, bit by bit. In fact, he stated, all

the resolutions the Commission is looking at are to reorganize back to what they changed from. Commissioner Soon commented that it's certainly true of Housing. Governor Waihee suggested exploring that dynamic.

Commissioner Soon commented that those are the type of questions to have in a round table discussion with third parties.

Chair Souki said the Commissioners have identified the issue which is understanding the 1998 Reorganization and the justifications for it. He concluded that the Commission needs to decide to whom to ask these questions. Governor Waihee suggested asking the people who made it. He noted that of the two structural versions in terms of government, the current version actually gives the Administration a lot of direct say over specific projects, and the older version requires delegation of authority. He concluded that he thinks that probably the Administration, at that time, wanted to have a lot of control over a lot of things. He suggested inviting Malcolm Tom. Commissioner Soon explained that he was the architect of it all under Jeremy Harris' direction.

Governor Waihee suggested asking Malcolm Tom why he did what he did. Chair Souki said he'd never met him and asked if he would come. Commissioner Soon answered that he's retired and was sure he'd come. Governor Waihee said he felt certain that Malcolm Tom believed in what he was doing and still does. He was passionate about it and it would help to have someone sell the Commissioners about the idea. He said he suspects that the Commission will have a lot of others tell them the contrary.

Commissioner Soon then said the other one who was there at the time was "Fish". Chair Souki asked who they meant and both Commissioners Soon and Rae responded, "Bob Fishman." Governor Waihee noted that these were the people who spearheaded that for that Administration. Commissioner Mulligan then suggested Ben Lee.

The Executive Administrator commented on her concern that the agenda for the September 3rd meeting had to be posted the following day and was uncertain about contacting the individuals in time. Vice Chair Rae suggesting just listing the topics in the agenda comment section, that simply listing them doesn't mean they have to be discussed.

Commissioner Soon asked if the agenda has to state who will be present. Chair Souki responded it did not. The agenda can just list "Discussion of the 1998 Reorganization." Deputy Corporation Counsel said she was unsure if Robert Fishman was still in Hawaii. Vice Chair Rae and Commissioner Broderick responded that he comes and goes. Commissioner Soon mentioned that he lives in Las Vegas.

Chair Souki asked if there was any other discussion on the topic of understanding the purposes and the reasons for the 1998 Reorganization which will be on the September 3rd agenda. COR will provide the Commission with related materials. Chair Souki asked

if the Deputy Corporation Counsel would just go through the highlights. Deputy Corporation Counsel responded that she would provide something.

Vice Chair Rae and Governor Waihee commented that the Deputy Corporation Counsel was around that whole time. The Deputy Corporation Counsel confirmed that she was present during the 1998 Reorganization and would provide what she can, noting that she also has City Council on Wednesday but will see what she can summarize.

Chair Souki thanked Deputy Corporation Counsel. Chair Souki said they would invite Bob Fishman, Malcolm Tom, and Ben Lee for the next meeting. He asked the Commissioners to let the Executive Administrator know if they have any other recommendations of who else might be a good person to speak to the Commission about what went on and what was behind it. The Executive Administrator asked if they wanted the Auditor to attend the September 3rd meeting also. Chair Souki said yes, that the Auditor, or someone designated by the Auditor, could talk about the report and context of it and the Commission could approve the minutes

Commissioner Soon asked what the minutes are going to look like. Chair Souki responded that he didn't think they would be anything different. The reason for the delay was equipment issues at the office and getting it timely to COR in time for review. The Executive Administrator also mentioned training new staff on the transcription process

Chair Souki asked if the minutes were longer than usual. The Executive Administrator responded that the meetings have been pretty long. Prior to June, the meetings have been averaging less than two hours but since then the meetings are averaging about 3 hours, and one meeting having gone over four hours. Commissioner Soon noted that a transcription is verbatim which is very long. Chair Souki and the Executive Administrator responded that it's not a transcript but they have to listen to the entire recording. After that, they try to make it into the form that the Commissioners have been receiving. Commissioner Soon continued that she wondered if the Commission was relying on the minutes to inform presenters and testifiers what's important. She noted that if they are really summarized then she hoped they wouldn't have to wait.

Chair Souki mentioned that the audio transcripts will be going online. The Executive Administrator suggested that Chair Souki listen to them because the difficulty of hearing the recordings clearly is part of the problem of producing the minutes. She explained that if people don't talk into the microphones, it's very difficult to hear.

Chair Souki asked for any other comments on the 1998 Reorganization/Auditor's Report meeting and the presenters the Commission plans to have. Commissioner Soon asked if the meeting would also include Bond Counsel or anything like that or would that be for another meeting. Chair Souki responded the Commission could include the Bond Counsel also, and invite BFS to come and talk about City financing and budget, and how

it works. Commissioner Soon commented that she would like to know what the Bond Raters look for as related to government structure.

Chair Souki recapped the conversation to say that the September 3rd meeting topics will include: bond rating as it relates to government structure, the 1998 Reorganization, and the Auditor. Commissioner Soon deferred to Commissioner Taniguchi for more information about bond ratings.

Commissioner Taniguchi commented it's not the Bond Counsel that would know about the bond rating. Chair Souki said he was considering inviting the BFS Director. Commissioner Taniguchi explained that certain bond rating companies put out general guidelines about how they rate the bonds and what they look for. The BFS Director would probably have some circular of one of the rating agencies

Vice Chair Rae commented that the issue arose when Ernie Lau of the Board of Water Supply (BWS) talked about a reason not to recombine, which was that they were able to enjoy a better bond rating than the City.

Commissioner Taniguchi commented that from her experience having worked at the City, one of the issues is that "semi-autonomous," seems to give a lot of people heartburn because there is no clear understanding of whether they are autonomous or part of the City. She explained that it's not the semi-autonomous nature of BWS that got them the rating they have, but it's because they are sitting on a lot of cash. They are able to set their own rates, without Council approval. There are certain characteristics. Consider that ENV (Dept. of Environmental Services) or Waste Water are almost the same as BWS in their bond rating. She concluded that it's more the historical financial performance, the ability to raise rates when they have to, etc., rather than whether they are semi-autonomous or a department of the City. For governance, they want to see a strong Mayor who's accountable. They would also like to see that the Council and the Mayor get along, and they can get the City and the people's business done. So, it's not necessarily whether they're a department of the City or are semi-autonomous.

Governor Waihee commented that the issue is whose good faith and credit guarantees the bond. The BWS has their own source of revenue which makes a big difference.

Commissioner Taniguchi turned to a discussion of HART. The question and the concern with HART is whether this agency, which is not self-supporting and probably will never be, should be semi-autonomous. She commented that Commissioner Soon might understand the perspective that HART is currently set up like OTS (Oahu Transit Service) and TheBus. The City does not have much say in labor contracts and how TheBus is operational, yet every year, they give the City a deficit which the City has to fund. That's going to be the same for HART. Every year HART will submit a budget that is not in balance, and the City will have to come up with the funding. During the budget meetings held earlier this year, there were a couple of meetings where the CEO of HART

and the Chairman of the Board at that time told the City Council that it's not their responsibility to find the funding. Their responsibility is to build and operate the system. She concluded by asking who has the responsibility to find the funding. Governor Waihee followed up by asking who represents the people in this discussion. Chair Souki noted that's the framework the City has.

Commissioner Taniguchi explained that, according to the Charter, the Mayor has no say in HART's budget, he just has to pass it to the City Council; and by the time it gets to the City Council, they are in a difficult position—they have to consider that, if it's not funded, the system could shut down.

In light of that information, Chair Souki asked if there was still interest in hearing from BFS on the bond issue. Commissioner Soon commented that Commissioner Taniguchi gave a good synopsis but said she thought the Commission would like to hear from a Bond rater and find out about the nuances they look for in governance.

Commissioner Taniguchi explained the difficulty in pinning the Bond raters down on precisely what they are looking for. From her experience, she noted that before 2008, she was able to talk to them more but since then much less. She said all they send now is their standard circular which she believes the BFS Director would have a copy of.

Commissioner Soon stated then it may be a dead end.

Governor Waihee commented it might be of value to have some kind of communication, especially if the Commission decides to make changes to the HART provisions. The Commission could note that they spoke to someone outside of HART and got their opinion. In regards to HART, he said he would like to talk to the Bond Counsel to find out what the fiscal implications are of an agency that has no funding source after a certain time. He wondered how issuing bonds affects the credit for the rest of the City? Unlike BWS that has its own revenue source, HART, not having a revenue source, means that HART's existence drags away from the credit of the rest of the City.

Commissioner Taniguchi commented that the City is going to be issuing general obligations bonds for HART. This will have a direct impact to the City's credit. She thinks a general obligation bond issue was made earlier this year. It might help to ask for the rating agency report, because HART may have been part of that discussion, so in their report they probably would have talked about their concerns, if they had any, about the rail. The rating agencies' reports should be posted on the BFS website.

Chair Souki asked who prepares all the documents for the City Council. If BFS prepares it for the Bond Raters and puts the package together, then BFS Director would be a good resource.

Chair Souki stated that, in review, there are six issues so far. He confirmed that they don't have to identify all the issues and plan all the meetings tonight, but if the Commission agrees, staff has a lot to work on including the Climate issues, HART and DTS, Commissions and Boards, Fire, etc., the Planning meeting, the Administration and City Council proposals if they are ready with a briefing on their package for the Commission. Then there's good governance issue including the bond issuance and the BFS Director, discussion and presentation of the 1998 Reorganization, and the Auditor's Report.

Commissioner Soon asked if there are some good government entities such as the Tax Foundation and League of Women Voters, who might have something to say about good governance that might be worthwhile. Governor Waihee commented that it would be good to invite them as opposed to having them just show up and testify. Commissioner Soon agreed.

Chair Souki asked what particular issue areas make sense, so that the Commission could send invitations for presenters. Commissioner Soon noted that she was pivoting off the wording for a Good Governance meeting. She asked what "good governance" means in today's day and age. She thought there would be a limited number of people who could speak to that. Governor Waihee commented that was a great way to frame a meeting.

Chair Souki commented there is a lot for staff to work on. He asked Commissioners if they had anything to add to the list, and mentioned there will be other opportunities as these meetings unfold. He noted that his main request to staff is to put the 1998 Reorganization, Good Governance meeting, probably first, as a lot of the discussion happens around that sort of area. Commissioner Soon questioned if those were two different subjects. Chair Souki responded that Good Governance, would include the bonds, the 1998 Reorganization and the groups but agreed these could be separated. Commissioner Soon suggested having a whole meeting on just Good Governance

Chair Souki asked if the Bond issues and the 1998 Reorganization should be kept together. Commissioner Soon agreed that could be done.

Chair Souki recapped that the 1998 Reorganization, Bond issues, and Auditor's report would be in one meeting – as item six. Then item seven would be the Good Governance meeting, and suggested that they should think more about what that would look like. He requested that the Executive Administrator have a proposal for the Commission to look at next week. The Executive Administrator agreed and asked if, following the September 3rd meeting, the Commissioners would want to meet on September 10 or 11 and what topic they would want to discuss then. Chair Souki said that as long as the Commission can address the 1998 Reorganization, Auditor's Report and Bond issues on September 3rd, he would defer to the Executive Administrator to coordinate the schedule, and asked for input from the Commissioners. Commissioner Soon suggested

HART as the topic for the next meeting, and then Boards and Commissions as the topic for the following meeting.

The Executive Administrator asked if there were any other boards they would be interested in. She assumed the meeting on Boards and Commissions would include BWS, Salary Commission, Ethics Commission, and Transportation Commission and asked if it would be better to separate some of them. Commissioner Mulligan noted that there were several issues he was interested in concerning the Police Commission, including the appointment of the Chief and how they investigate and discipline officers.

Commissioner Soon questioned if that was a Charter issue to which Commissioner Mulligan responded that it could be explaining that there are other municipalities that have adopted a totally independent police auditor that investigates citizen complaints about police misconduct and has subpoena powers. Therefore he thinks that could be a potential Charter issue.

Commissioner Soon then suggested having both the Police and Fire Commissions together in one meeting along with the five Commissions under BFS including Police and Fire, a Pension Board, an Ethics Board, Liquor Board and, Real Property Board of Review. Governor Waihee suggested sub-dividing the Boards into three or four categories, addressing the category and not necessarily the specific board. For example, there are boards that actually do something and there are others that are advisory. He noted that one question would be how valid the advisory boards are any more.

Chair Souki stated that there are over 25 or 30 boards. Vice Chair Rae responded that some are created by Charter, some by statute, and others by the Administration. He suggested that the Commission not discuss any boards that are not created by Charter.

Chair Souki then asked, in consideration of how to organize these, what outcome the Commission wanted to achieve after reviewing these. He asked if there were an overarching idea about the relevance of boards and commissions generally to which Chair Rae responded in the affirmative. Chair Souki queried that in the alternative were there specific ones that the Commission was interested in reviewing. He pointed to HART as a Board they seemed to want to look at. Vice Chair Rae agreed but commented that their interest in HART is a different issue. It is specifically to determine what the Commission can do to help HART function better, yet some of the questions include whether HART should continue or should the entity simply be a department of the City. Chair Souki asked if there are particular boards or commissions that the Commission wants to hear from, limiting this to those that are created by Charter. Commissioner Soon concluded that would narrow down their investigations. She then asked if the list (referring to the handout mentioned by the Executive Administrator) came from the Boards and Commissions Executive Secretary. The Executive Administrator responded that he reviewed parts of it and provided the ad-hoc ones and made some suggestions.

Commissioner Soon asked how the Executive Secretary gave out the list. The Executive Administrator explained that the list was developed by staff going through the Charter and through the Revised Ordinances of Honolulu to double check all of the organizations. Commissioner Soon continued, asking if she had a database to know which ones were part of the Charter. The Executive Administrator noted that the ones on the list that were in the Charter were noted by "RCH" at the end of the citation. Chair Souki spoke up, saying that there are about 14 Charter ones.

Deputy Corporation Counsel commented that some of the boards and commissions are established in the Charter pursuant to State statute such as the Police Commission and possibly the Liquor Commission. She said she was unsure if the statutory provision requires the formation and then it was formed in the Charter. She mentioned that the Police Commission is a State statutory requirement.

Governor Waihee wondered if the Commission should continue on the discussion and also asked if the Charter provides the right kind of language for what the Commission does. He noticed that some of the language establishing the commissions in the Charter are very short, basically "one liners" just saying "do whatever they tell you."

Vice Chair Rae commented that it would be good to see the language of the statutes that lead to the creation of the Charter. Chair Souki commented that it matters in a way but not in other ways. He continued that the Charter adds detail and dimension to whatever the statutes provide. Vice Chair Rae agreed, explaining that was why in terms of Governor Waihee's comment. For example, if it is mandated by statute then the question that he and Commissioner Mulligan were interested in, that is whether a commission should continue to exist or not, is moot.

Deputy Corporation Counsel agreed, adding that, if the Charter Commission wanted to revise the duties or functions of a commission, it would be necessary to confirm whether or not that revision was contrary to the statutory provision. Vice Chair Rae affirmed that was a good reason to read the statutory provision.

Commissioner Mulligan conveyed that the State statute might be very general in terms of creating a particular commission. Vice Chair Rae interjected that the language might be permissive rather than conclusive. Commissioner Mulligan continued that the statute might not necessarily spell out all of the functions that are in the Charter. Chair Souki thought that the Commission might be able to expand on the statutory provisions such as providing more protection through Charter provisions if needed, etc.

Chair Souki summarized the assignment to the Executive Administrator. He said he counted only 15 or 16 boards and commissions created by the Charter and suggested creating a matrix of listing the statutory authority, if any, and the statutory language as well. Then that could be reviewed by the Commission and they could then consider the ones that they want. He asked Vice Chair Rae if he would want all 16 or, if after

exploring it more he would perhaps narrow it down. Vice Chair Rae agreed that the number could be narrowed down after review. The Executive Administrator asked if the meeting on boards and commissions would be at a later date. Chair Souki agreed. Commissioner Soon asked, "Later than what?" Chair Souki answered that it wouldn't be the next meeting. Commissioner Soon asked if it would be by September 24. She pointed out that if the Commission laid out the first three meetings, then that would allow staff to work on all of them. The Executive Administrator asked if Commission Soon meant the meeting would be on September 24. [No answer was audible]

Commissioner Soon asked for clarification of the date for the second meeting covering HART and DTS, asking if it would be on September 10 or 11. Chair Souki asked which date it would be. Vice Chair Rae asked which of the two, September 10 or September 11. The Executive Administrator responded that in forming the scheduling, boards and commissions were initially planned for either of those dates as a wrap-up to all of the City's entities. The Liquor Commission meets every Thursday at 4pm, and since the Committee Room was available on Friday, September 11, it was penciled in.

Chair Souki said that September 10 or 11 would be fine for now depending on the presenters' schedules. The Executive Administrator clarified that the meeting on September 10 or 11 would be for HART. Chair Souki affirmed this. Commissioner Soon suggested trying for September 10 first and, if that didn't work, then trying for September 11. Vice Chair Rae asked if September 14 would work because he won't be in town on September 10 or 11. Chair Souki suggested beginning all over again because the dates were selected based on the availability of the room, etc. Commissioner Soon suggested September 24, asking if Vice Chair Rae would be able to attend on that date. Vice Chair Rae confirmed this. Commissioner Soon asked if he would prefer to have a meeting on boards and commissions or HART on that day. He said either would be fine. Commissioner Soon asked if it would be possible to have a meeting on climate change on September 10. Chair Souki said that would probably work. Vice Chair Rae said that they could also do more than one meeting the week of September 24. Some of the Commissioners said that probably wouldn't work. Commissioner Soon asked if that meant climate change would be on September 10, and HART on September 24, and boards and commissions on October 8. Another Commissioner said that would be a good plan. Vice Chair Rae confirmed that there would be no meeting on September 11. Commissioner Soon said it was up to the Chair. Chair Souki asked if the Commission wanted September 11 off the calendar and this was confirmed and it was removed. Commissioner Soon clarified that they would be meeting on September 10 on climate change. Chair Souki pointed out that they would meet then only if the speakers were available. Commissioner Soon said that sounded good.

Chair Souki asked for any further discussion. Commissioner Mulligan wanted to bring up another issue to discuss in the future. He noted that Chair Souki also brought up the

issue on several occasions and it may have been connected to the 1998 Reorganization. This was the housing issue. He noted that he was interested in this issue especially since he was involved in defending one of the individuals involved in the Ewa Villages scandal, which was not a pleasant experience. He said he thought that the Ewa Villages scandal seemed to have precipitated the City getting out of the housing issue. He pointed out that obviously housing is now clearly a problem and suggested that at some point it would be another important issue to deal with and wanted to make sure that it remains an issue of importance to the Commission.

Chair Souki asked who the Commission could request to talk to them about the housing issue. Commissioner Soon suggested they wait a couple weeks to see if they get a proposal from the Administration. If they don't, then they should ask the Administration why they didn't provide such a proposal. She commented that the housing issue has more than one element. Most people are now concerned about the homeless. She explained that when the City had a housing department, the City owned and managed a lot of subsidized housing, getting people in and out of it. She continued, "Then the City was getting out of the business altogether, and building more, and then they were getting into the business of selling what they did have to private entities because of the philosophy that it was better handled--not as a government entity, right or wrong. So if there is to be a housing department again, what does that mean? Is it to go back and start getting City-owned housing or ...?"

Governor Waihee asked what the housing had to do with the source of funding. Federal funds went to cities and so the City had to set it up and he commented that he did not know what the state of that is now. Vice Chair Rae commented that Section 8 went away. Governor Waihee thought that whole discussion would be interesting.

Chair Souki commented the Commission will hold off on scheduling housing as a meeting topic and wait to see what the City Administration or the City Council might propose, and noted it was an important issue. He reiterated the issues identified in this meeting to help staff get going on planning meetings, but it's not the "be all end all." Other issues might come up and might get on the schedule, and he said he hopes that this will plant the seeds for ideas from the community that would work.

Commissioner Broderick commented that earlier in the week the Commission received a memo from Deputy Corporation Counsel and was struck by how informative the meeting minutes of previous Charter Commissions were. He stressed that they are a great historical resource. He encouraged the Executive Administrator and staff to use those minutes as much as possible.

Chair Souki asked for any other comments. Seeing none he moved on to the next item.

IV. Announcements

Chair Souki announced that the next meeting will be September 3, 2015, at 4:00 p.m.

Chair Souki asked if there was any public testimony. There was none.

Governor Waihee asked where the new parking passes can be used. The Executive Administrator responded there were instructions provided with the parking pass.

Governor Waihee responded that the instructions said the passes were only for metered parking and at 4 o'clock all the metered parking disappears. Vice Chair Rae commented there are metered stalls in the lot.

Deputy Corporation Counsel commented that they can get into the parking lot where there's metered parking from the entrance on Alakea.

Commissioner Taniguchi commented that she had asked DTS and confirmed the passes can't be used in the Municipal lot. They can only be used on City streets. The Deputy Corporation Counsel asked if that was also true after hours. Commissioner Taniguchi pointed out that after hours it wouldn't matter. Chair Souki asked if there was a stamp on the street that designates areas belonging to the City. He asked how they would know what streets are under City jurisdiction and asked where they could park. Commissioner Taniguchi said they told her Punchbowl, Kawaiahao, and others. Governor Waihee pointed out that the passes couldn't be used when a sign says that there is no parking in an area.

IV. Adjournment

Chair Souki, seeing no further business, adjourned the meeting at 5:52 p.m.