

Charter Commission

CITY AND COUNTY OF HONOLULU

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



THURSDAY JULY 7, 2016
2:30 P.M.
COMMITTEE MEETING ROOM 205
HONOLULU HALE

MINUTES

Charter Commission Members Present:

David W. Rae, Chair (left at 5:20 p.m.)
Kevin Mulligan, Vice Chair
Judge Michael F. Broderick
Reginald V. Castanares, Jr.
Guy K. Fujimura
Donna Ikeda

Nathan T. Okubo
Paul T. Oshiro
Cheryl D. Soon
Edlyn S. Taniguchi
John D. Waihee III, Governor

Commission Members Excused/Absent:

R. Brian Tsujimura
Pamela Witty-Oakland

Others Present:

Roy Amemiya, Jr., Managing Director
George Atta, Director, Department of Planning and Permitting
Ernest Lau, Manager and Chief Engineer, Board of Water Supply
Dr. Barry Fleming, Director, Honolulu Zoo
Dana Viola, Deputy Corporation Counsel
Krishna Jayaram, Deputy Corporation Counsel
Linda Luli Nakasone Oamilda, Executive Administrator, Honolulu Charter Commission
Mary James, Research Analyst, Honolulu Charter Commission
Norma Reyes, Secretary, Honolulu Charter Commission

Testifiers:

Shayna Yatsushiro
Judith Clark
Rina Kaneko
Jade Stice
Scott Wilson
Megan Moribayashi
Jennifer Sham Lang
Natalie Iwasa
Natalie Jones
Kevin Sekner
Tracy Yamamura
Janine Souki

Bettina Mok
Lisa Maruyama
Annie Valentine
Dennis Brown
Karen Davis
Reid Kohler
Karen Tan
Marcie Lopes
John Whalen
Linda Paul
Kathy Sokugawa

I. CALL TO ORDER

Roll Call: Edlyn Taniguchi, Guy Fujimura, Kevin Mulligan, Cheryl Soon, David Rae, Nathan Okubo, John Waihee, Michael Broderick, Paul Oshiro, Donna Ikeda.

With a quorum present, Chair Rae called the meeting to order at 2:35 p.m.

TESTIMONY:

Shayna Yatsushiro, Assistant Director, Hawaii Literacy, Inc. testified that the Grants in Aid (GIA) system helps solid programs to do great work and be evaluated for that work on merit. She expressed the agency's concerns regarding the future of the GIA program if the proposal passes, especially for the hundreds of nonprofit representatives with smaller organizations that will be forced to solicit the Councilmembers.

Commissioner Soon clarified that there are two GIA proposals, C-7 (elimination of the GIA system) and C-4 (Mayor's proposal for a cap) and confirmed that Ms. Yatsushiro's testimony was on C-7.

Judith Clark, Executive Director, Hawaii Youth Services Network, testified in opposition to Proposal C-7 that would remove the GIA fund system. She felt that the current process is fair, unbiased and transparent and that all grants should go through that process.

Rina Kaneko, Girl Scouts of Hawaii, testified in opposition to the proposed Charter amendment to remove the GIA funding requirement. She explained the many beneficial

programs coordinated by the Girl Scouts for girls that are targeted to lower socioeconomic groups.

Jade Stice, Family Hui Hawaii, better known as Baby Hui, the only peer-led parenting program in the state, testified in opposition to Proposal C-7. She described the many benefits of the program which are supported solely by GIA funds.

Scott Wilson, Boy Scouts of America, testified in opposition to Proposal C-7. He described the many programs provided by his agency.

Megan Moribayashi, Lanakila Pacific, testified in opposition to the amendment to remove the minimum funding requirement for the GIA. She described the many programs that her agency was able to provide as a result of GIA funding.

Jennifer Sham Lang, Vice President of Programs and Services, Easter Seals Hawaii, testified in opposition to the proposed Charter amendment to remove the requirements. She shared information about her organization and the services that they provide.

Natalie Iwasa testified on multiple proposals. She supports Proposal 76A but is not clear on the transparency of the new rate commission. She supports Proposal 29 and thinks something similar should be done for the Ethics Commission. She submitted written testimony in opposition to Proposal C-3 explaining the reasons for her opposition. She noted her concerns on Proposal 81 and suggested that the Director of the Department of Planning and Permitting (DPP) give examples of “de minimus”. Finally, she testified that while she supports nonprofit organizations, she felt that the GIA requirement is not good fiscal policy and it should be discontinued, but she felt that the GIA Advisory Commission is beneficial and should be kept in the event there is available funding in the budget process.

Natalie Jones, ALS Ohana of Hawaii, testified in opposition to the proposed Charter amendment to remove the GIA requirement, citing her mother-in-law as an example.

Ken Sekner, Surfrider Foundation, testified in opposition to Proposal 81 which he felt is an end run around the Hawaii Supreme Court’s decision in the Kyo-Ya case, decided in favor of the Surfrider Foundation, which admonished public bodies to follow zoning regulations unless there is a very clear and present reason for that exception.

Commissioner Broderick commented on the process, expressing his concern that testifiers are not testifying on the most recent proposal.

Dr. Barry Fleming, Director, Honolulu Zoo, gave a brief commentary on Proposal C-3 to establish the Honolulu Zoo Fund and noted that it is a good step in the right direction. He looks forward to additional income from the City, the Zoo Society, and revenue-generating income sources for the Honolulu Zoo. He also cautioned that Association of

Zoos and Aquariums (AZA) accreditation will be a crucial element to keeping a zoo in Honolulu because certain organizations have already petitioned the State Department of Agriculture to make it impossible to keep wild animals except for an AZA-accredited zoo. This means that in time, as the animals pass away, the zoo will end up being a farm, as opposed to a zoo, with only domestic animals.

Commissioner Taniguchi questioned Dr. Fleming regarding the half percent Zoo Fund which will generate approximately \$5 million. Dr. Fleming noted that the Zoo needs approximately \$13 million to cover debt and other services and that the Zoo generates approximately \$5 million in revenue. This proposal will assist in the accreditation.

Commissioner Taniguchi raised the issue of the relationship with the Zoo Society which Dr. Fleming confirmed is being worked on as they are working on a new agreement with the Society. He noted that part of the new agreement will include a greater focus on fundraising and a shift in focus so that the Society supports the Zoo and not the reverse. Commissioner Taniguchi and Dr. Fleming agreed that for world class zoos the support organization generates 40-60% of operating costs. They also discussed a sunset clause for the proposal and phasing back the amount of the fund over time.

Commissioner Taniguchi raised the issue of raising revenue under the Kapiolani Trust restrictions against commercial activity, which Dr. Fleming acknowledged is difficult but manageable.

Commissioner Okubo inquired about the effect of a sunset provision on the certification process and Dr. Fleming thought it would depend on what the sunset is, but noted that many zoos across the nation have sunset clauses. Dr. Fleming noted it would also depend on what the initial amount is and how quickly they are able to move forward. He suggested that if the Zoo starts off with something robust, then people are much more inclined to donate and give to entities that are functioning well and that look like they're moving forward and doing well.

Commissioner Ikeda focused on the amount contributed by the Zoo Society, which Dr. Fleming estimated to be \$100,000-400,000, the fluctuation depending on donations. Commissioner Ikeda also noted the amount of membership fees received by the Zoo from the Zoo Society depends on the definition of "net", which Dr. Fleming said is being defined in the new agreement.

Commissioner Fujimura noted the unique relationship between the Zoo Society and the Zoo, which is found nowhere else, where the Zoo supports the Zoo Society, rather than the Society's purpose being to support the Zoo.

Tracy Yamamura, Hawaii Arts Alliance, testified in opposition to the proposed Charter amendment to remove the requirement to the one-half of 1% for the GIA fund. Her organization has not received such funds but has received funding from the City in past

years and they believe in the process. She confirmed for Commissioner Fujimura that they favor more funding which should go through the same process.

Janine Souki, YWCA Board, testified in opposition to the proposed Charter amendment to remove the requirement for GIA funds. She described the many ways that the YWCA assists women and noted that they are a current recipient of a GIA grant which they use for a program on transition housing for women released from prison.

Bettina Mok, Kupu, testified in opposition to the proposed Charter amendment to remove GIA funding and noted that they have received funding for the past two years.

Lisa Maruyama, Hawaii Alliance of Nonprofit Organizations, noted that she testified last week and highlighted some of the things in addition to last week. She testified that they oppose both Proposals C-4 and C-7. She felt that there should be multiple mechanisms for funding for the nonprofit sector, but noted how difficult it is for a nonprofit to follow through to pass an ordinance and the immediacy of need for nonprofits dealing with lives, in particular. She also agreed with previous speakers on the ability of nonprofits to leverage the grant moneys so the return on investment is great, and how they are always trying to do more with less. Ms. Maruyama confirmed that they are against a ceiling on the amount.

Annie Valentine, Project Vision Hawaii, testified that she also agrees with Ms. Maruyama's testimony in opposition to a ceiling.

Dennis Brown, President, Big Brothers, Big Sisters Hawaii, testified in opposition to Proposals C-4 and C-7. He noted that they receive substantial GIA funding support and gave an example of his organization's work.

Karen Davis, ALS Care Manager for Hawaii, testified in opposition to Proposals C-4 and C-7 and explained her work with the organization.

Reid Kohler testified that he is a nonprofit volunteer with GIA funded organizations and believes in the process. He noted that he is the first to graduate from college in his family and felt that it was due to the assistance of many nonprofits.

Karen Tan, Chief Program Officer, Child and Family Service, testified in strong opposition to Proposals C-4 and C-7. Her organization has received GIA grants and serves about 40,000 families and individuals a year.

Marcie Lopes, Executive Director, Hawaii State Coalition Against Domestic Violence, testified in opposition to Proposals C-7 and C-4. Her organization works very hard to keep our community safe and has not received any GIA funding, and agrees with previous speakers.

Discussion:

Governor Waihee clarified the process of Proposals C-4 and C-7 through his Committee on Submission and Information. He noted that the Committee did not act on Proposal C-4, and therefore, it is no longer a viable vehicle, and suggested that the Commission focus on C-7. Governor Waihee moved that Proposal C-4, the Mayor's Message, be filed. Commissioner Okubo seconded the motion. With one abstention, and hearing no objections, the motion passed.

Governor Waihee explained how Proposal C-7 evolved in the permitted interaction group (P.I.G.). He clarified that removing the Grants in Aid provision from the Charter doesn't end the program because there is still an ordinance that establishes how monies may be granted for funding. The questions addressed by the P.I.G. were whether to continue with the dual process and whether there should be a minimum or maximum amount. After hearing testimony over multiple meetings, the P.I.G. felt that it may be premature to remove the funding from the Charter, but that the process could be improved. Governor Waihee moved that the current provision be amended by adding "as the sole source of funds," thereby limiting funding to one process.

Roy Amemiya, Jr., Managing Director, testified to ensure that federal and state grants are not impacted by the Commission's actions today. Chair Rae noted that all proposals will go to the Department of the Corporation Counsel (COR) for review before the Commission takes final action.

Commissioner Taniguchi confirmed the process with the budget, noting that the GIA Advisory Commission ranks the applicants, and when the budget is finalized determines the level of funding for each depending on how much money is available.

Commissioner Ikeda noted that she cannot vote on the motion if it includes a minimum amount which she felt is bad fiscal policy and considers it to be earmarking and she has consistently voted against earmarking.

Commissioner Fujimura noted that the Commission should decide on the process then deal with the issue of the monies in that process. He also noted that the two issues are not related.

Governor Waihee moved to amend the P.I.G.'s proposal on the floor by returning to the original language and adding "as the sole source of funds" to Charter subsection 9-205.1. Commissioner Soon seconded the motion. Commissioner Broderick shared his concern that all the testifiers today did not have a chance to testify on this amended proposal, and was assured by Chair Rae that they would have an opportunity to testify on July 13 if the Commission passes the proposal today. With one abstention, and one objection, the motion passed.

Governor Waihee moved that the amended proposal be sent to COR so that it can be available for the meeting on July 13.

Commissioner Oshiro requested a recess.

At 4:33 p.m. the Commission recessed.

At 4:40 p.m. Chair Rae reconvened the meeting.

Governor Waihee moved to amend his motion to have the amended proposal sent to the Style Committee and subsequently to the Commission meeting on July 13. Chair Rae announced that the proposal will be referred to the Style Committee because of the time constraints and will simultaneously be referred to COR for review.

Governor Waihee moved that Charter subsections 9-205.2 and 9-205.6 be deleted from the proposal which was just passed, which will delete the appropriation of a minimum amount into the GIA fund, leaving the amount to the determination of the budget process. Commissioner Ikeda seconded the motion.

Commissioner Ikeda expressed her concern that a floor causes money to be immediately taken out of the pot and when there isn't enough money to cover all expenses, and income must be generated, the only way to generate income is to raise taxes.

Chair Rae asked for a show of hands to indicate those in favor of the motion. There were four ayes which were insufficient for passage so the motion failed.

TESTIMONY:

Ernest Lau, Manager and Chief Engineer, Board of Water Supply (BWS), testified on Proposal 6 and noted that he submitted written testimony. He explained the BWS mission and operations, and testified that greater City Council oversight would not be beneficial to BWS. Mr. Lau testified in opposition to Proposal number 20 because they feel that authority over their annual operating budget and capital improvement program should stay with the BWS Board. Mr. Lau testified in support of Proposal 88 because it would give BWS the opportunity to move forward and look at other sources of revenue that can be generated from their assets to help offset some of the burden on rate payers through water rates.

Mr. Lau testified on multiple proposals:

- BWS suggested an alternative to Proposal C-6 which is included in page 4 of their testimony and noted that the BWS Board already has a process to address this issue.
- Mr. Lau noted that BWS has concerns with the P.I.G.'s use of the word "encumbrances", which in all three situations, BWS feels that the determinations should be left to the BWS Board.

- With regard to the issue of revenue bonds, BWS prefers that the current Charter language remain unchanged. Mr. Lau noted that the BWS Board has sole authority to adapt long-term infrastructure and timely adaptation water rates program needs. He also noted that the obligation created by revenue bonds does not obligate the City in any way. He also added that their bond counsel in San Francisco stated that the City is not liable for payment of any debt service. Mr. Lau reviewed the history of the revenue bond issue back to 1995 and confirmed that Commissioner Taniguchi was correct in her previous statements regarding City Council approval and cited a 2007 COR opinion and the City Council's subsequent resolution in 2008. Mr. Lau stated that the BWS is in a good financial position and cited their rating by various rating agencies.

Mr. Lau testified that 2011 rate increases were necessary to fund a larger capital improvement program to invest in the water infrastructure even though BWS was financially stable. He clarified the official statement for the City and their bond offering which contains additional language to qualify the exclusion from the City's net funded debt. However, Commissioner Taniguchi noted that as a practical matter, even though by state statute revenue bonds are excluded, the City wouldn't be able to walk away because it needs its water. Therefore, the City would step up, regardless of the legal language.

Roy Amemiya, Jr., Managing Director, representing the Administration, testified on three proposals:

- Proposal C-5 is strongly supported by the Administration as managing real property assets is a core function of the City which requires unique expertise, vision, efficiency and external collaboration. The Administration feels that this is increasingly important given the shortage of affordable housing and the opportunities for transit oriented development.
- Proposal 77 is supported by the Administration, to eliminate bureaucratic inefficiency. However, if Proposal 77 does not get approved by the Commission. The Administration supports Proposal 84 to create efficiencies within the Department of Environmental Services.
- Proposal 54 is supported by the Administration.

Commissioner Soon noted the ambiguity in the language regarding "small" and "large". Mr. Amemiya will work with COR to clear up the ambiguity.

Chair Rae raised the issue of the possibility of reorganization to accomplish these goals, and Mr. Amemiya acknowledged that through a similar opinion from COR they understand that reorganization is possible, however, they have decided to support this proposal due to its significance.

At 5:18 p.m. the Commission meeting recessed.

At 5:22 p.m. Vice Chair Mulligan reconvened the meeting.

George Atta, Director, DPP, testified that he submitted written testimony to confirm that DPP supports the change to move the dimensional variance issue to the Charter level and reiterated his reasons in support of this proposal.

John Whalen noted that this was the third proposed revision and felt that it does not relate to the current administration of zoning variances. He explained that his biggest concern with eliminating the language from the Charter is that the current provision has a well-established body of case law on which to rely. He expressed his concern on delegating this to ordinance as it would be subject to politics, depending on the composition of the City Council. He referred to his written testimony for additional comments.

Testifier Linda Paul addressed comments by Mr. Atta, noting that zoning variances affect property rights and so require special protection and a sense of permanence, and testified in opposition to the proposal.

Scott Wilson testified that he submitted written testimony in opposition to Proposal 81 which he felt is an attempt to circumvent the existing variance regulations. He felt that the proposal ignores the unique quality of our city and our island.

Kathy Sokugawa, DPP Planning Division, testified on Proposal 77A regarding the public transit authority and suggested that DPP be included as an ex-officio voting member since they will be doing all the work required by the voting members.

II. DISCUSSION AND ACTION

- *Proposal 54 to provide functional plans for the Departments of Environmental Services, Facility Maintenance, Parks and Recreation, and Transportation Services and for the Board of Water Supply.*
- *Proposal 76A to improve public transit.*

Commissioner Ikeda noted that the Style Committee deferred Proposals 54 and 76A pending further information. However, the Committee did make a slight change and the proposals are ready to move forward.

Governor Waihee moved that Proposal 54 and 76A be moved forward to the July 13th meeting. Commissioner Broderick seconded the motion. Hearing no objections, the motion passed.

III. DISCUSSION AND ACTION

- *Proposal No. 6 to provide more City Council oversight of Board of Water Supply*

- *Proposal No. 20 to subject Board of Water Supply Board to oversight by the City Council and to Charter standards of conduct.*
- *Proposal No. 29 to establish budget autonomy for the Prosecuting Attorney.*
- *Proposal No. 78 to clarify that Council and the Mayor, upon approval of Council, may establish special funds.*
- *Proposal No. 88 to clarify that additional revenues for Board of Water Supply may come from land and property development.*
- *Proposal No. C-6 to require the Board of Water Supply to seek Council approval before issuing revenue bonds and, to advise the Council if rates are being amended, and to hold public hearings before new rates are implemented or approved.*
- *Proposal No. C-8 to clarify the authority of Council and the Mayor.*

Governor Waihee moved that Proposals 6 and 20 regarding the Board of Water Supply be held. Commissioner Broderick seconded the motion. Hearing no objections, the motion passed.

Governor Waihee moved that Proposal 29 be moved to the July 13th meeting. Commissioner Broderick seconded the motion. Hearing no objections, the motion passed.

At 5:44 p.m. the Commission recessed.

At 5:45 p.m. Vice Chair Mulligan reconvened the meeting.

Governor Waihee moved to amend Proposal 78 to add, “and the council” to the proposal.

At 5:46 p.m. the Commission recessed.

At 5:47 p.m. Vice Chair Mulligan reconvened the meeting and restated the motion on the floor to amend Proposal number 78 by amending Charter section 9-105 entitled: “Amendments to the Annual Legislative and Executive Budget Ordinances and Executive Program; Other Appropriations” by amending subsection 2 by adding ”and the council”: “Amendments to the annual executive budget ordinances and program may be submitted by the mayor **and the council**, and considered by the council under the same procedures prescribed for the enactment of the annual executive budget ordinances and adoption of the executive program,....”

Commissioner Broderick seconded the motion. Hearing no objections, the motion passed.

Governor Waihee moved that Proposal 78 be sent to the meeting on July 13. Vice Chair Mulligan noted that it will be on the agenda and does not need a motion.

At 5:50 p.m. the Commission recessed.

At 5:51 p.m. Vice Chair Mulligan reconvened the meeting.

Governor Waihee moved that Proposal 88 be referred to the meeting on July 13. Commissioner Broderick seconded the motion. Vice Chair Mulligan announced that Proposal 88 is in the Style Committee which means that the Commission must invoke Rule 13 which allows the Commission to suspend the rules by an affirmative vote of at least nine Commissioners. Governor Waihee moved to invoke Rule 13. Commissioner Broderick seconded the motion. Hearing no objections, the motion passed.

Governor Waihee moved that Proposal C-6 be moved forward to the Style Committee and July 13th meetings. Commissioner Ikeda seconded the motion. Hearing no objections, the motion passed.

Vice Chair Mulligan announced that all the amendments in Proposal C8 are in Proposal 78 which was already passed, therefore, Proposal C8 does not require any action.

IV. DISCUSSION AND ACTION

Discussion and action on Proposal 77 to add planning, engineering, design, construction, and installation to the Departments of Design and Construction, Enterprise Services, Environmental Services, Facility Maintenance, Transportation Services; Information Technology, and Parks and Recreation.

Governor Waihee suggested a motion to move Proposal 77 to the July 13th meeting. The motion was made and Vice Chair Mulligan then asked for a second. Governor Waihee seconded the motion. With one objection from Commissioner Broderick, the motion passed.

V. DISCUSSION AND ACTION

Discussion and action on Proposal 84 to consolidate and clarify management of wastewater and solid waste by amending the powers, duties, and functions of the Director of the Department of Environmental Services.

Commissioner Broderick moved that Proposal 84 be held because its provisions are included in Proposal 77 which was already passed. Commissioner Okubo seconded the motion. Hearing no objections, the motion passed.

VI. DISCUSSION AND ACTION

Discussion and action on Proposal No. C-3 to establish a Honolulu Zoo Fund to consist of 0.5 percent of the estimated real property tax revenues and to designate how the Fund may be used.

Commissioner Fujimura noted the P.I.G.'s concern with Proposal C-3 that the proposal did not go far enough to address the AZA's concerns, it only addressed one of the concerns and suggested that now might be a good time for the Commission to discuss the P.I.G.'s report. He also noted that if the proposal is not acted on, then it will die.

Commissioner Okubo suggested that the proposal be moved on to allow for further discussion.

Governor Waihee noted that his P.I.G. also discussed this and shares the same concern as the original P.I.G. that this issue needs more discussion. Governor Waihee moved that the proposal be amended to add a sunset clause of 10 years. Commissioner Oshiro seconded the motion.

Commissioner Fujimura explained that his P.I.G. discussed the proposal in terms of the AZA report and felt that all the issues raised need to be addressed, but that the turnover issue does not seem to be covered.

Commissioner Taniguchi noted that if this proposal is not on the ballot for this year, the City Council would need the mayor's approval at the 2018 general election.

Governor Waihee noted that the members of his P.I.G. are not opposed to the concept of permanent funding, but they are opposed to using the Charter to do it, and therefore, he hopes the Commission supports the sunset on it.

Commissioner Fujimura suggested a sunset with no date on the sunset.

Governor Waihee moved that a sunset clause be included before finalizing the proposal. Commissioner Broderick seconded the motion. With one objection from Commissioner Ikeda, the motion passed and the proposal will go to the Style Committee on July 13.

VII. DISCUSSION AND ACTION

Discussion and action on proposed amendments, as submitted by the Department of Planning and Permitting to Proposal 81.

Commissioner Okubo moved to adopt Proposal 81 with the amendment proposed by the department to delete the variance language in the Charter upon adoption of similar language by ordinance. Governor Waihee seconded the motion.

Commissioner Broderick announced again that he needs to abstain from voting on this. He noted that there have been many distinguished members of the community who have testified in opposition to this and it would be a mistake to ignore such testimony.

Commissioner Ikeda noted that she had asked Mr. Atta that if just saying that it would be addressed in ordinance would be acceptable and he pursued that option. However, after listening to all the testifiers, she said that she still had to oppose this.

Vice Chair Mulligan expressed his concern regarding the issue of use variances with regard to residential property, and not being able to focus on such, he too was concerned about removing that language from the Charter and having it done through ordinance which can be changed much more easily, and therefore, will not be supporting the proposal.

Commissioner Soon also was hesitant about moving the proposal forward and was worried about repercussions and unintended consequences.

Commissioner Okubo expressed his belief that the proposal is not about the large landowner but about the single family and the positive impact it could have on these families. He felt that at this point it was the best the Commission could do and therefore, would support the proposal.

Commissioner Fujimura confirmed that twice previously he stated that he would recuse himself because he has a variance request and wanted to put it on record.

Vice Chair Mulligan clarified that the Commission was voting on whether to move Proposal 81, as amended by Commissioner Okubo to remove the variance language from the Charter and replace it with language in the ordinance. There will be transition language as necessary for removal of the Charter language as the City Council adopts the criteria by ordinance.

Commissioner Broderick called for a roll call vote.

AYE: 4 – CASTANARES, OKUBO, OSHIRO, WAIHEE,

NO: 4 -- IKEDA, MULLIGAN, SOON, TANIGUCHI

ABSTAIN: 2 – BRODERICK, FUJIMURA

The motion failed.

VIII. DISCUSSION AND ACTION

Discussion and action on Proposal C-5 to establish a Department of Land Preservation and Enhancement and provide for its powers, duties and functions.

Commissioner Soon moved to amend the proposal as circulated to the commissioners. Governor Waihee seconded the motion. Hearing no objections, the motion passed.

IX. DISCUSSION AND ACTION

Discussion and action on Proposal C-4 to clarify the annual amount of the appropriation to the Grants in Aid Fund and Proposal C-7 to delete the Grants in Aid Fund.

Vice Chair Mulligan announced that this proposal was acted on at the beginning of the meeting and requires no further action.

At 6:19 p.m. the Commission recessed.

At 6:24 p.m. Vice Chair Mulligan reconvened the meeting.

X. EXECUTIVE SESSION

The Commission anticipates convening an Executive session closed to the public pursuant to Hawaii Revised Statutes sec. 92-4 and sec. 92-5(a)(4) to consult with its attorneys on questions and issues relating to their legal analysis and recommendations for the Charter proposals identified and described in Items II, III, IV, V, VI, VII, VIII and IX of this agenda.

Governor Waihee moved to invite the Executive Director to sit in on the executive session. Commissioner Ikeda seconded the motion. Commissioners discussed the COR opinion which required the motion. Hearing no objections, the motion passed.

At 6:25 p.m. Commissioners resolved into executive session.

At 7:01 p.m. Vice Chair Mulligan called the meeting back to order.

XI. ANNOUNCEMENTS

Vice Chair Mulligan announced that the next meeting would be on Tuesday, July 12, at 3:30 p.m., in the City Council Committee Meeting Room. The Submissions and Information Committee will meet on July 12, at 1:30 p.m. Governor Waihee announced

that he asked Commissioners Soon and Mulligan to draft an outline for the Committee which they have been working on, to develop the themes and categories for the proposals and assist in tracking the proposals.

XII. ADJOURNMENT

With no further business, Vice Chair Mulligan adjourned the meeting at 7:04 p.m.