

# Charter Commission

CITY AND COUNTY OF HONOLULU

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



## THURSDAY, OCTOBER 15, 2015 COUNCIL COMMITTEE MEETING ROOM HONOLULU HALE

### MINUTES

#### Charter Commission Members Present:

Jesse K. Souki, Chair  
David W. Rae, Vice Chair  
Judge Michael F. Broderick (Ret.)  
Reginald V. Castanares, Jr.  
Guy K. Fujimura  
Donna Ikeda

Kevin Mulligan  
Nathan T. Okubo  
Paul T. Oshiro  
Edlyn S. Taniguchi  
R. Brian Tsujimura

#### Charter Commission Members Absent/Excused:

Cheryl D. Soon

Governor John D. Waihee III

#### Others Present:

Dawn Spurlin, Deputy Corporation Counsel  
Senator Will Espero  
Ernest Lau, Chief Engineer, Board of Water Supply  
Dwayne Miyashiro, Chairman, Board of Directors, Board of Water Supply  
Linda Luli Nakasone Oamilda, Executive Administrator, Honolulu Charter Commission  
Mary James, Research Analyst, Honolulu Charter Commission  
Norma Reyes, Secretary, Honolulu Charter Commission

#### I. CALL TO ORDER

With a quorum present, Vice Chair Rae called the meeting to order at 3:30 p.m.

Roll Call: Edlyn S. Taniguchi, Guy K. Fujimura, Kevin Mulligan, Judge Michael F. Broderick (Ret.), Nathan T. Okubo, Paul T. Oshiro, David W. Rae, Donna Ikeda, R. Brian Tsujimura

Vice Chair Rae announced that testimony will be taken out of order in deference to Senator Will Espero's schedule.

Senator Will Espero testified on the Police Commission. Senator Espero provided an explanation of the letter that he submitted to the Commission concerning the Honolulu Police Commission. Senator Espero's letter requested that the Commission consider a proposal to allow the Police Commission to punish or penalize police officers for misconduct or bad behavior, citing a case in which police officers roughed up two hikers. Senator Espero also requested consideration of a proposal to allow the Mayor to fire the Police Chief with majority support from the Honolulu Police Commission. Because his testimony was inconsistent with his written submittal, Commissioner Broderick requested clarification on whether the termination authority was unilateral or in concurrence with the Police Commission. Espero stated that the termination authority would be in concurrence with Police Commission support as a means of checks and balances. Commissioner Rae inquired whether the Mayor should also be authorized to hire the Police Chief. Senator Espero stated that the hiring authority should stay with the Honolulu Police Commission.

Commissioner Ikeda raised the issue that the Police Commission was formed by State Statute and so the State Legislature should have some latitude to make appropriate changes. Senator Espero will propose appropriate legislation but he felt that the Charter Commission should also propose changes.

Commissioner Tsujimura inquired if the same authority should extend to the Fire Chief, and Senator Espero agreed that it should. The Commissioner questioned why this is not handled by the Department of Human Resources and Senator Espero said it is handled by the union. Senator Espero is concerned that police officers are protected by State Statute against disclosure unlike any other public employees even after disciplinary action is taken. Senator Espero is working for full disclosure as applicable to every other public employee.

## II. FOR APPROVAL

Minutes of the July 29, 2015 meeting

Minutes of the July 30, 2015 meeting

A motion was made by Commissioner Broderick to approve both minutes as circulated. The motion was seconded by Commissioner Okubo and, with no objections, the minutes were approved.

## III. INFORMATIONAL BRIEFING

- *Board of Water Supply*

Chief Engineer Ernest Lau (CE Lau), and Chairman of the Board Dwayne Miyashiro distributed copies of a PowerPoint presentation which covered what is in the Charter, the makeup of the Board, and the functions, powers and duties, and responsibilities of the Board of Water Supply (BWS).

Vice Chair Rae noted that a presentation was not necessary since BWS made a presentation at a previous meeting. He then commented on the budget authority process and its Board of Directors. BWS is fully self-sufficient and has full authority to raise water rates and adopt annual operating and capital improvement budgets. The City Council has no authority over the BWS budget but BWS is required to send its budget to the City Council for information and, if necessary, brief the City Council on their budget. BWS Chair Miyashiro commented that the Board is briefed and attends workshops by BWS to understand the operations. The Board does hold public hearings on the budget. Vice Chair Rae inquired if there should be certain minimum qualifications for Board members. BWS Chair Miyashiro felt that minimum qualifications do not need to be technical in nature, but people should be capable of receiving and analyzing information and be good decision-makers. The BWS Board is a policy-making board, so he feels that the key is to have good administrators in place. He also feels that the Board members have a good mix of diverse backgrounds and experiences.

BWS Chair Miyashiro confirmed for Commissioner Mulligan that he agrees with CE Lau that BWS does not need any Charter amendments at this time.

CE Lau recalled that at the previous meeting the Charter Commission suggested that BWS broaden its sources of income to create a revenue stream to offset some of the financial burden on its customers. A proposal addressing this issue may be submitted as part of the Administration's package.

CE Lau cited the redevelopment of the BWS Beretania Street property as an example of another resource. However, in response to the RFP (request for proposals), all proposers withdrew before they reached the negotiation phase, but BWS plans to issue another solicitation. More recently, it was suggested that Nuuanu Reservoir No. 4 be used to capture storm water to recharge the aquifer and a pump hydro system to generate power. Possible funding could be by public-private partnership. BWS is looking at all reservoirs for possible power generation and storage, and photovoltaic power. They are exploring these possibilities with Hawaiian Electric.

Commissioner Ikeda asked whether Board members are limited to two five-year terms. CE Lau responded that yes, they are and they are subject to the same Charter provisions as all other boards and commissions.

Vice Chair Rae inquired whether BWS is mandated to be self-sufficient. CE Lau replied that they are. They have to adopt rates to generate revenue to operate and improve the system.

Vice Chair Rae noted that some years ago, water rates skyrocketed when BWS realized the need to increase revenue for its operations and maintenance, including the maintenance of its aging water lines and mains. He asked if it was possible to insert language into the Charter to regulate rates to prevent another spike, and mandate that rates reflect current and future needs. CE Lau said he will look into it.

Commissioner Ikeda inquired about BWS reserve funds which it may accumulate for the purpose of financing major replacements, etc., which tie into the projects mentioned, but it may not exceed 15% of gross revenue. In terms of numbers, CE Lau will have to get back to the Commission. He noted that there is a delicate balance between reserves and increased water rates, and the attractiveness of using large reserves for other purposes. Commissioner Ikeda would like to know the amount of the reserves and how much is set aside annually, and what the 15% would be if not using the full 15%. Vice Chair Rae also added that he would like to know how all this is related to bonding requirements.

Commissioner Broderick asked to recall Senator Espero for clarification on his suggestion regarding whether the Mayor can fire the Police Chief with majority support from the Police Commission or unilaterally. Senator Espero explained that it could be either, but the Commission would provide a check and balance.

#### IV. EXECUTIVE ADMINISTRATOR'S REPORT

The Executive Administrator (EA) reported on the following:

- *Website Status*  
Email notification seems to be working except for one complaint. Also Corporation Counsel mentioned printing difficulties.
- *Status of Proposals*  
To date, the Commission has 16 proposals published online, with a few more that have not yet been published. Staff is working to get the proposals on the website. On Monday they will have a contractor addressing the publication issue and all proposals will be posted as they come in on a daily basis. Currently, all proposals are numbered with proposer's name listed. They hope to include general subject matter information in the near future. In today's Honolulu Authority for Rapid

Transportation (HART) meeting, HART announced that it intends to submit two proposals to the Charter Commission.

- *Olelo broadcasts*  
Cameras are in the Committee room for City Council Committee meetings and will be used for Charter Commission meetings. Costs for broadcast were provided to the Commission earlier. The projected start date for broadcast is November 6<sup>th</sup>.
- *Outreach efforts*  
Commissioner Mulligan appeared on Hawaii Public Radio. Flyers have been distributed and a Sunday ad will appear in the newspaper.
- *Future meeting schedule*  
The schedule is based on Commissioners' schedules and availability of the meeting room. A copy is in Commissioners' packets.

## V. DISCUSSION

*Review and possible amendments to the following Charter Commission Rules and related sections:*

- *Rule 3a, Proposed Amendments to the Charter, Timing of Acceptance of Proposals*
- *Rule 4, Procedures for the Consideration and Adoption or Approval of Proposed Amendments to the Charter*
- *Rule 6, Functions and Duties of the Standing Committees*

Vice Chair Rae does not see any need to make changes to the rules at this time. Commissioner Tsujimura suggested that the Commission decide on "all or nothing" or individual questions. Several Commissioners commented that they prefer not to go the "all or nothing" route. Commissioner Ikeda felt it might be too early to decide since it is unknown how many proposals will be received. She suggested that staff group proposals by subject matter. Commissioner Taniguchi asked COR to confirm whether blank ballots were considered "no votes."

The EA directed Commissioners to a one-page flow chart prepared by Chair Souki.

## VI. ANNOUNCEMENTS

Chair Souki announced that the next meeting is scheduled for Wednesday, October 28, 2015, 3:30 p.m. in the City Council Committee Meeting Room at Honolulu Hale.

VII. ADJOURNMENT

There being no further business the meeting was adjourned at 4:15 p.m.