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Maui County Charter Commission Public Meeting
County Council Committee Room, Maui
Monday, December 10, 2001
8:30 a.m.

Present

Terryl VencI, Chair
R. Sean McLaughlin, Vice-Chair
Vince Bagoyo
Bill Fuhrmann
Gwen Hiraga
Stephen Holaday
Karolyn Mossman
Stephen Petro
Erlinda Rosario
Donn Takahashi

Staff

Brian Moto, Corporation Counsel
Ke'ala Pasco, Charter Commission Assistant
Jon Van Dyke, Charter Commission Analyst

CALL TO ORDER

The meeting was called to order at 8:30 a.m. Commissioners present: Bagoyo; Fuhrmann; Hiraga; Holaday; Mossman; Petro; Rosario; Takahashi. Vice-Chair McLaughlin is expected shortly. Also present: Brian Moto; Ke'ala Pasco; and Jon Van Dyke.

TESTIMONY

Mr. Jimmy Rust

Mr. Rust briefly testified that the Water department should be able to set their own rates and write their own rules and regulations.

Questions from commissioners followed. Commissioner Mossman asked Mr. Rust about the selection process. He replied that he believes the system of being appointed by the mayor and approved by the council is adequate. Commissioner Petro wanted to clarify that Mr. Rust was suggesting that the board be allowed to set water rates. Mr. Rust affirmed that by saying the department shouldn't have to be approved by the council since it's not funded by tax money. When Commissioner Bagoyo asked if Mr. Rust thought the number on the board should be reduced from nine to seven to be like the majority of boards and commissions, Mr. Rust said no. Chair VencI then asked if board members should be paid. Mr. Rust again said no.

Chair VencI thanked Mr. Rust and called up the next person to testify.

Mr. Jim Smith

Mr. Smith started off by saying that the Water department doesn't need autonomy; the problems won't be solved by autonomy (that's the crux of the problem). We must have public participation via the council. We need to consider that it's just wrong.

Commissioner Bagoyo asked where we should place accountability. Mr. Smith responded that the structure is not the problem. Accountability should belong to the board; it must stay with the mayor and the council. No one who has a vested interest on a project should have to sue for an oversight. The structure is not the problem; it's the suspicion and doubts.

Regarding corporation counsel, Mr. Smith said the minutes of November 19 misrepresented what he said. The suggestion he gave for wording was to change "enforce the law" to "apply the law."

He said to make within the corporation counsel office a judicial branch, and to put in provisions that the people's, or the public's, interest is looked after. Citizens should have access to impartial protection within corporation counsel. The "Public Counsel" would take on matters of the public interest. Chair VencI asked him to send his information to the Charter Commission in writing.

Mr. Smith said that within the office of the corporation counsel, it'd be the administrative lead, but then a public interest review board would look at any act that is suspicious. This needs to be applied; it's an engine for trust. This should be available so people don't have to pursue issues at

their own cost.

Commissioner Mossman said Mr. Smith went to Alan Arakawa, and asked if he also went to corporation counsel.

Mr. Smith had one other observation to make. The Charter Commission agendas have changed. The current agendas now state that testimony will only be taken at the beginning; he's not sure that the Chair can make that change as a blanket decision. It's just a technical point.

Chair Vencl thanked Mr. Smith. She then called up Norma Piltz.

Ms. Norma Piltz

Ms. Piltz testified that the Water department should be semi- or fully autonomous. All boards throughout the state can write their own rules; Maui's is the only one that can't. Ms. Piltz was on the Water board for five years 4½ years ago. They sent the mayor rate increases because they were operating at a loss; the council felt the public would be too angry. Their big mistake was that because the department needed \$500,000, they went to the county. The mayor said they'd do it if they give up their right to give away bonds. She didn't think power was important and says that was a big mistake on her part; so the county council and mayor have a lot of power.

Following questions from the commissioners, Ms. Piltz answered that they gave up revenue bonds. Although it's definitely delineated in the charter, the council said to give up that right, so they did.

Commissioner Petro asked Mr. Moto for his opinion. Mr. Moto replied that he wasn't personally involved, but what essentially happened was the board of water supply and the county council reached a "gentleman's agreement." The council agreed to float bonds, and one of the promises made to achieve that support was a concession by the board that they wouldn't float revenue bonds on their own.

Chair Vencl verified that there weren't any other questions from the commissioners. She then called up the next testifier.

Mr. Clifford Jamile

Mr. Jamile is a manager and engineer at Honolulu Water Supply. He came to speak in favor of continued support of autonomy of the water department. Honolulu is able to generate its own revenues. They're really concentrating on pipes that are over 100 years old, and can only do that because they generate their own funds. They can go to the bond market, and their rate structure supports the debt service. All bonds have been revenue bonds, not G.O. bonds.

Commissioner Mossman asked how many of the projects in place were initially set up by private development, and if that was still the case. If the city and county built all the ones you're fixing now, when that's turned over, are there still agreements that those developments received a portion of the water without maintaining a portion of that expense?

Mr. Jamile responded that the developer receives an allocation of a certain amount of water. You're only going to get exactly what you need. The developer needs to petition for more. We're charging a monthly fee for water; part of it goes to future fixes, repairs, or replacements.

When Commissioner Mossman asked if he had any difficulty with the system not being compatible, he said no. She asked if he gets involved with the developer; Mr. Jamile replied that part of the planning process is that you have to go to the planning department.

Commissioner Petro said that the water master plan is approved based on standards, not quantities of water. They have to show how they'd develop sources of water. He then asked if Honolulu was operating in the black with a surplus due to its semi-autonomous status, and if they'd ever had a precedent due to the amount of surplus. Mr. Jamile said that the entire surplus had already been encumbered for projects. At least \$20 M should have been available.

Mr. Jamile said they have a seven member board. It's worked well.

Vice-Chair McLaughlin asked how much surface water gets used (less than 1%). He continued that the allocation piece is a really critical component for us here on Maui, and asked if Honolulu was similar to Maui. Mr. Jamile replied that we're all governed by the same rules and laws. He's familiar with Maui's situation of a heavy draft and unsteady supply. Moving water up is a heavy load to carry.

Vice-Chair McLaughlin said we have major developments (like out in Wailea), and asked if O'ahu was similar or different in that respect. Mr. Jamile said it was similar. They're looking at other sources of supply and are using recycled water, but you've got to be vigilant when looking at how you can help put it together.

Vice-Chair McLaughlin said he didn't see the correlation between accountability and making it more political. Mr. Jamile replied that the Supreme Court said to share the responsibility of accountability for stream restoration, Hawaiian cultural rights, and domestic rights. The decision was taken away from the county; permission was given. He thinks it works well because it causes him to look at other sources of supply, like the desalination of the ocean.

Vice-Chair McLaughlin said what if Maui wants to use water more for agricultural use because we'd rather see that instead of construction? Why don't we treat it like a commodity, like electricity? Mr. Jamile replied that we're a city agency, and must be open to the public; we'd have problems pricing this at the highest level; and it's privatization at its very worst. Autonomous means less under a department, but all tied to a different state. We'll have something on the ballot next year that will provide us with more flexibility.

Commissioner Takahashi asked how long has the board been autonomous; it's been about 72 years. He asked Mr. Jamile to bullet point autonomous advantages, taking Honolulu's semi-autonomous situation. He answered that Maui would have its own rates and charges, fund its own benefits, and have its own commission. Allocations would be exactly what the state says. Being autonomous doesn't increase your allocation. Those are the three high points. It's been a very positive experience. It should be as free and autonomous as possible.

Chair Vencl asked who the community would go to if expectations weren't met. Mr. Jamile said the community goes to council, and it's presented to voters in a referendum in the next election.

Commissioner Bagoyo then questioned him about ownership and allocation of water. He mentioned a settlement that a certain number of gallons gets allocated. Mr. Jamile said it's an interim solution. In the end, the Supreme Court said the stream flows would have to be satisfied, so the commission had to determine an adequate amount. Then they had to determine how much for Hawaiian customs and rights; it's very straightforward. Commissioner Bagoyo said maybe Mr. Van Dyke could address the issue of ownership later. Much discussion followed regarding the designation and allocation of surface water.

Chair Vencl thanked Mr. Jamile. Bob Takitani testified next.

Mr. Bob Takitani

Mr. Takitani testified as an individual. He's done a lot of research, and talked about having a semi-autonomous body. He passed out a draft about what the charter might look like.

He said the benefit of having a semi-autonomous body would be to non-politicize the process. It became politicized by the fact that the council, mayor, and the administration were involved. Accountability is self-imposed. You're responsible, but because of the human nature of a political body, it's difficult for them to raise water rates when they're trying to get elected. Other islands are way ahead. 715 miles need replacement but there's not enough money. Politicians are trying to do a good job, but they have so many responsibilities. The Board of Water Supply needs its own counsel. It needs to have autonomy in order to have a strong department like O'ahu.

Commissioner Mossman asked if the draft was Mr. Takitani's proposal of what the language should be in the Charter. He replied that the language was taken from some from other departments. Chair Vencl asked if the Director agreed with it, and he said yes. Commissioner Mossman also mentioned that in previous testifiers remarks, funding has to come from private sources, and asked if we were getting additional money other than rates from the county council.

Vice-Chair McLaughlin asked if we were better off with a structure that encourages converting private development to public, or starting off with public development. Mr. Takitani said balance is

key. You need some development by entities to ensure infrastructure, but there are so many areas that he can't believe haven't been done yet. There should be a balance there also. Vice-Chair McLaughlin said so can't move because they don't have control of these monies; if the department was semi-autonomous with its own fee structure, it would be able to address its own needs.

Ms. Piltz interjected that meter fees were raised for central Maui and Lahaina to be equal. Further discussion about rates followed, but Mr. Takitani deferred to Mr. Craddick since he didn't have the figures.

Commissioner Takahashi then bullet-pointed the desired progression: water development; replacement of existing lines; purchase of new equipment; then new infrastructure. Mr. Takitani said that water rates only cover the operation company. When Commissioner Takahashi asked if that would take care of the backlog of meters and 750 miles of replacement needed, Mr. Takitani replied that it'd be a giant step; it's very difficult to get any kind of revenue. Commissioner Takahashi continued by clarifying that Mr. Takitani agrees that the benefits of semi-autonomy are rates, venues, and non-politicizing the process. He also said that he's trying to get people already involved in these areas.

Mr. Van Dyke said that according to the board, the CEO is removed by the board; and corporation counsel is the primary counsel. Mr. Moto said that one is going to be copied out of the Honolulu charter.

Chair Vencl called a ten minute break.

BREAK

The meeting reconvened at 10:30 a.m. Chair Vencl moved ahead with testimony, saying that a newcomer just flew in to testify. It was okay with Mr. Craddick, so she called upon DeGray Vanderbilt.

Mr. DeGray Vanderbilt

Mr. Vanderbilt is a 23 year resident of Moloka'i, and has worked with the Moloka'i CAC. He said that at council member Tavares' planning meeting last week, the greatest attendance was on Moloka'i. They pushed very hard to get their own planning commission. It came up about the Charter Commission possibly doing away with a planning commission having people who come from different areas. But Moloka'i doesn't have the same problem as Maui. He urged the commissioners to not even put this out in the first draft for public hearing. He reviewed the community plan; one of the problems is the belief that they have no control over their future. There are no problems on Moloka'i. During a review of community plan meetings, Moloka'i had ten more public meetings than any other area in the county. Commissioner Petro's review resulted in Moloka'i being named an enterprise community. Moloka'i has showed its effort to work through the system; please don't take that away.

Discussion then turned to the CACs having a more permanent, ongoing status. Mr. Vanderbilt said that the selection process is different, but the CAC ended up being a really great, diverse group of people. If planning comes up with a non-controversial situation, they should be able to call the CAC back in to recall the thought processes. Sometimes if you change one thing, it changes things in other areas, so you need to give the people making current decisions the benefit of hindsight.

Chair Vencl thanked Mr. Vanderbilt. David Craddick testified next.

Mr. David Craddick

Mr. Craddick started off by addressing the bond issue. Ray Louie (Sakuma) had to meet EPA requirements that were enacted in 1986. They had \$50M in the bank, but they needed additional funds. The Director went to the Mayor and asked to be issued GO bonds. Travis Thompson wrote back, asking if the water really had to be treated, and couldn't they get an exemption. If it wasn't treated, there'd be a citation for non-compliance; the next step would be to hold the Director personally liable for those fines. The budget was issued that year with \$75M for improvements. Charter issued revenue bonds. Then the law changed in 1990. Arbitrage said you can't issue tax exempt bonds, put in them in the bank, and capitalize on the interest earned vs. the interest paid out. The IRS says if money's in the bank, it's not spent, it's earning interest.

So that was definitely a mistake that cost us \$900M in arbitrage payments. It's not a cheaper thing; revenue or G.O. bonds are the same thing. Rates were extremely low in 1991, and lower yet in 1993. The board decided to refinance, but can't increase the rate, can't do what the Charter says you can do. Corporation Counsel said you can't do it; it's bogus. They wouldn't issue G.O. bonds unless they gave up their rights under the Charter. So they had a gentleman's agreement for \$295,000 catch on revenues to cover a loan in order to get \$1.4 M in funds. The insurance people said they'd jack up the rates to cover themselves. The county's bonds would default first. Other thing about the attorney himself and the East Maui water development issue. The EIS was done for all intents and purposes; they had \$7M in funds for putting in state wells. A week after getting the contracts signed, the group filed an injunction, and a week before the court case was to occur, Guy Archer was pulled off to fight a Little League case. JR made the motion to get a good attorney, but there was no second on his motion. The issue remains unresolved. The decision of the court was so nebulous; they had to basically redo the entire process. To this day, it's still not known what the court meant.

The next issue Mr. Craddick addressed was that people are confusing accountability with water allocations. The County makes it official in allocating resources. The BOD does not allocate water. Please get that clear in your minds.

Commissioner Petro asked if when planning, zoning, and getting a designation for a hotel, the department automatically allocates water. Mr. Craddick said no, anyone can develop the resources they want at any time. Commissioner Petro then asked if the county was relieved of the responsibility for providing water once the designation is given. Mr. Craddick replied that he wrote some policies to be decided upon in his first letter. When a project is zoned, they have no idea when they're going to develop, so they don't put it in until it's needed. There is a reservation process (the limit is 120 gallons). It's a critical rule that the Water department needs, but the Mayor said no, that it's zoning. More discussion about zoning and the responsibility for providing water ensued. Mr. Craddick said that as long as they get the meter in within 2 years, they'd reserve that water for them.

Commissioner Petro reiterated that water is a big question for our island. He asked if they were zoning for preservation, if they're coordinating the planning of water to meet these zonings, and where's the water to develop. Mr. Craddick responded by saying that there's a rate issue. There are basically two pots to take money from. The water rates that everybody pays (an average of 600 gallons/day). This is the lowest in the state (excluding Hawaiian Homes). Then there's the water development pot, the water development fee; they had a \$150 reserve/storage charge applied countywide. It covered development, not single family homes. The Lahaina side covered both. They were told by consultants that this method is the only method that has never been challenged. It's the same method that determines the PUC charges. One way is to take every existing customer and base it on them. Another way would be to try to predict. The development fee took two years (he doesn't know why). Commissioner Bagoyo interjected that they tried a fee that was only \$1400 but couldn't get it through. Mr. Craddick continued that they're trying 80%. All places have a certain portion of their rates go to expansion. If they increased water rates to give out cheap meters, they'd see a lawsuit, but that was exactly what the Council wanted to do. They can do that in special circumstances. Down here subsidizes the upcountry system.

Commissioner Hiraga wanted to know what role Mr. Craddick had in putting the proposal together. Chair Vencl added that Mr. Takitani said he agreed with it. Mr. Craddick said he couldn't say that completely.

Chair Vencl turned to the next step on the agenda. Motion was made (Rosario), seconded (Holaday), and unanimously approved to accept the November 19 minutes with the change suggested by Mr. Smith.

Chair Vencl asked for a motion to accept Communications from Director Wes Lowe, which answered Ms. Mossman regarding what the county has done to purchase open space (something more would be coming in January); and Mr. Van Dyke's organizational chart and summary of what he's listened to from past meetings. Motion was made (Petro), seconded (Takahashi), and unanimously approved.

Chair Vencl said she really didn't have any introductory remarks, but she'd like to give an idea of how the rest of the meeting would go. She began by addressing any questions regarding Mr. Van Dyke's submissions. She also acknowledged that David Goode was present.

Mr. Van Dyke said it was an honor for him to be at the meeting. He continued that his role is to be

the commission's staff and will follow its guidance. He may put ideas forward, but he's merely a facilitator. In that spirit, he went through all documents and meetings and put together a listing of issues and is not sure it's complete. He asked that the commissioners go through and think of things that aren't there. The goal is to be as complete as possible so we can focus on what we need to do. He hopes there'll be a chance for the commissioners to tell him what he may have missed.

Regarding housekeeping matters, there are things we ought to tidy up in the process. The organizational chart is probably not complete either; it was just his attempt to pull things out of the Charter. He asked for guidance as to what he could do to facilitate the Commission's work.

Chair Vencl said that in her mind, this is a growing document; we'll add "yeses" and "nos." When we get down to "maybes," we'll need to hone in on those issues. January 14 is the day that we'll try to go through all this and add the stuff we've come across.

Commissioner Mossman said she believes in the "one man, one vote principle," and wants to get as close to that as possible. She doesn't know the apportionment data so we could see how close we can get to that principle. She asked if she needed to make a motion. She doesn't know exactly where the actual boundaries are, so we could know where to move something to balance areas out.

Commissioner Mossman also mentioned another issue that's been floating out there. Mr. Moto was supposed to look at whether or not the law changed for council members, whether or not they could still have full time jobs (an ethical issue). Mr. Moto said he'd come back later with that information.

Vice-Chair McLaughlin hopes everyone saw his memo of November 1st, which tried to categorize issues (he wants opinions). We have a due date for the county council; they may or may not be able to respond. He wants clarity on what our deadline is for the completion, and guidance as far as the questions that will be posed on the ballot. Do they have to be yes and no questions as opposed to multiple choice? He'd love to get more feedback and set up the four areas. Can everything be grouped into four or five questions on the ballot that would refer to more details?

Mr. Van Dyke responded that that's an important question and an important policy the Commission has to make. On a national level, there's sort of a presumption against amending one's Charter. In Hawai'i, we're a relatively new state, so our population is a little more open to tinkering; we've had fairly good successes statewide in getting our amendments passed. You're going to have to sell your package.

In terms of groupings, we could imagine a number of inter-related issues. Suppose we created a new commission with the police department, the fire department, and civil defense together. To accomplish that, you'd be amending a whole section of the Charter, so it'd be reasonable to list all the changes together. But suppose you wanted to have every appointed official to serve during the term of the mayor without being fired for just cause. It might be little bit harder question. So my answer is that we're going to have to come back to this question once the Commission knows what it wants to accomplish so we can put the best face forward.

Vice-Chair McLaughlin said that many of the commissioners are concerned with the complexities on the ballot. That would be a policy decision for us. Mr. Van Dyke replied that the Commission would be in danger of sacrificing all of its work if everything is grouped and only one part isn't approved of.

Commissioner Petro said that we should address this after we've determined the exact changes we want to make because it's too early to discuss ballot; we don't even know what we want to propose. Some of our minds might be changed because of the public testimony. He's anxious about getting to what kind of proposals we'd like to take to the public; the first public hearing is just a little over a month away.

Vice-Chair McLaughlin agreed that it's premature, but wanted to know if the Commission was inclined to bring more or less to the table. If they're more inclined to take fewer questions to the public, they need to decide how fine of a filter they want to put on.

Mr. Van Dyke said suppose the Commission asks, "Should the water board be given more autonomy?" We'd have to educate the public more. Commissioner Mossman said we need to respond to the philosophical discussion; we ought to be looking at the best document we should

put forth for our community. Mr. Van Dyke said voters are pretty sophisticated; they do try to learn about what's on the ballot. They're being very careful; there's no reason not to give them more.

Chair Vencl wanted to open up the discussion of water. She said we don't need to reiterate questions or concerns out there, and asked if anyone had any particular ideas they'd like to put out for discussion. Commissioner Mossman wanted to step back from autonomy; she'd personally like our water system developed publicly because it's a public resource. She'd like to look at setting up outcomes and saying which structure is going to get us there in the most specific way as possible. It's ridiculous for our board to have their hands tied due to politics; on the other hand, the politicians only respond to the people. She sees both sides as having some foundation, but let's focus on what is going to get us the things we need in our structure. Vice-Chair McLaughlin seconded her motion.

Chair Vencl added her "two cents" following along Commissioner Mossman's line. What all of us will be concerned about is how we're going to get the end result. We're not doing it fast enough. I believe we need to set up a system that will get us the end result. What I'd hoped for by the time we reached this point was some type of offer that would get us some kind of compromise. There's a question of credibility with the community and accountability with the board. How do we make those things move?

Commissioner Petro said that as a result of the testimony today, it's quite evident what the feel of the water department is. One of the big problems is that they're not able to get their development the way they want; rate structure takes a long time from submittal to passage. Part of the bottleneck is the political process. That question was kind of answered from the department's point of view, and the board members'. Does the public want a semi-autonomous board with the power to raise the rates? Let's see what kind of reaction we get. Give the pros and cons.

Commissioner Holaday said we've consistently said we should take something that works well. There's a better "wheel" than what we have right now. He doesn't think the wheel we have today (autonomy) is working, so he wants a different one. Chair Vencl added that it seems that all departments are semi-autonomous, but ours is the only one that can't make its own rules. Mr. Craddick responded that it's "fully semi-autonomous" with regard to setting rates, issuing bonds, etc. Mr. Van Dyke said the ultimate issue is article 8.8.

Commissioner Bagoyo said that after listening to all testimonies, he could sympathize with what Commissioner Mossman talked about (not being issued meters). Upcountry is not an easy problem to solve; technically it costs money. How can the department generate the funds? It's a tremendous amount of money. Where are the priorities? He reflected on his experiences on both sides of the fence and is trying to come up with some answers. They do need to have a certain amount of oversight, but he doesn't think rates and rules should be approved by the council or mayor. That should be with the board. He agrees with deleting 11.8. The county council and the mayor are involved in the zoning; they have some responsibility for getting involved. In 8.11.2, maybe amend item 3 ... he'll submit this proposed amendment in writing. One of the things he'd like the department to do is to prepare a water use and development plan, a mandate under 174C. The only one about to be completed is Lana'i's. Moloka'i completed theirs a long time ago, but we may want to make some changes. The water use and development plan should include land use classifications, cost, etc. Secondly, consider that the planning director in public works should be a voting member of that commission, because this is how they can get involved. Two of the seven members should have extensive experience in water management; it's a requirement for the state water commission.

Commissioner Holaday asked if it was a presumption that members have to be residents of Maui. John Mink could be a tremendous asset, but he's not a resident of Maui County now.

Commissioner Bagoyo said four things: 8.11.8 should be deleted; develop a water use and development plan, and decide how often it should be done; regarding the completion of the board, have the remaining seven confirmed by the mayor and county council; and the council should have an oversight audit.

Commissioner Mossman said all of that is basically irrelevant. She thinks our systemic problem is that we've developed a private philosophy of water. Don't base decisions on who has the resources to contribute to this county to develop the water system. All this is tinkering; we have a broader problem. Who's going to maintain it in the long haul, and who will develop it? Public resources should be developed publicly. We shouldn't tie our people's resources long term to

independently developed water sources. Community at large is there; do they want the water system to be publicly or privately developed?

Commissioner Petro doesn't disagree ... even the farmers' needs should be addressed. A semi-autonomous department will give them the ability to improve as needed. They won't have to wait for that; they'd be able to implement the fee structure and the rules they need to plan for the future. He likes Commissioner Bagoyo's proposal. The water department should be very cognizant of what we need ... it should be part of the general plan.

Commissioner Holaday agrees with everything Commissioner Mossman said, but 180 degrees off from her. The reason we have private water development is to throw it on the developer's back. Yes, we need a way to get past that, but we still need to develop water sources. So while he supports her concept, he thinks we're in a box unless we have privately developed water.

Commissioner Bagoyo said that if the proposed consumption reaches 120 galloons or more, the developer has to put in the distribution line; that's how the system works. That's a critical component. Here's what we want, here's what the zoning should be, here's what we need... the water department shouldn't be determining zoning.

Commissioner Mossman asked if that was a state law or a policy in Honolulu. We're still operating under the theory that this is what we're doing, so we have to keep doing it. Think out of the box; we need a shift in philosophical perspective as to who's responsible for developing water. We need to have a caveat, a statement, as we look at that shift ... put in there that we're going to move toward public development of our water system.

Commissioner Fuhrmann contributed that we need to put specifics in the long-range development plan. A lot of our philosophy can be stated in that kind of development language. Chair Vencl asked Mr. Van Dyke to take that in and see if there's a way to deal with that.

Commissioner Petro said that if the county absorbs the cost of all the development, that's an awfully high cost to taxpayers. Commissioner Mossman answered that she's not saying there couldn't be a fee for that, but to have that developed by the company forever with structures turned over to us is a problem. It should be based on community plans and priorities.

Commissioner Holaday said the issue is really plain. The question becomes one of efficiency. Is it cheaper to develop a big water source, or lots of little ones? Commissioner Hiraga agrees that the key issue is planning.

Commissioner Mossman responded that priorities of plans are not necessarily followed because those that have the money can jump over everyone else (Dowling will be in much sooner than Hawaiian Homes). That's what creates all the mistrust. It DOES matter. It is part of planning, but it also needs to be a philosophical shift.

Chair Vencl asked Mr. Van Dyke to comment. He replied that the things he'd like to emphasize is that water is a public resource, it doesn't matter who owns it; the water board decides how it's used. Some elected official will ultimately have to make the decision. All of these ideas can be pulled together by emphasizing the role of the plan, values of the public, giving the board more autonomy, and requiring them to be audited.

Chair Vencl mentioned one question no one's raised yet: what about putting two voting members on this proposal for balance? Or the council approving the development plan? It's mandated in state law. She doesn't see it happening. At this point, she'd like to ask if we have enough consensus to go forward with the plan submitted by Commissioner Bagoyo. Commissioner Petro moved to accept the proposal after Mr. Van Dyke works on it. Commissioner Bagoyo seconded the motion. Commissioner Mossman said she's against it if it doesn't include or reflect a public water system (language caveat).

Chair Vencl said work up verbiage about leaning toward a public system; Commissioner Petro agreed with that.

Commissioner Holaday asked if there's a true constitutional violation, can someone come back and then litigate it? Chair Vencl said she's just trying to get this off the table and into Mr. Van Dyke's hands; he'll bring it back next week. She asked if there was any other discussion; all were in favor.

Commissioner Hiraga asked if we were going to bring this up at the next meeting under Mr. Van Dyke's geographical representation. He replied that it's a good idea.

Commissioner Petro asked if we could develop a consensus on that issue today. Mr. Van Dyke said we'd have documents to put before everyone next week.

Chair Vencl asked Commissioner Mossman why she needed to see public works. She replied that she had several suggestions, and wanted to know if the director should have certain credentials or not. Mr. Craddick mentioned "public wastewater" many times. Commissioner Bagoyo said public works moving to planning, separate public works environmental section. It's important for David Goode to come back. Mr. Moto said the motion passed unanimously about the fire department. Commissioner Petro said there's so much discussion; we're going to discuss that more.

Conclusion

Chair Vencl said that next week's topic is Planning. The meeting will be at 8:30 a.m. on December 17. The meeting was adjourned at 12:36 p.m.

Ke'ala Pasco, Charter Commission Assistant