

# ORIGINAL

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

PUBLIC HEARING  
ON THE PRELIMINARY PROPOSAL  
OF THE SPECIAL CHARTER COMMISSION  
TO AMEND ARTICLE 8, CHAPTER II  
OF THE COUNTY CHARTER  
EFFECTIVE JANUARY 1, 1983

HELD AT THE 8TH FLOOR COUNCIL CHAMBERS  
KALANA O MAUI, WAILUKU  
ON THURSDAY, DECEMBER 3, 1987

COMMISSION MEMBERS PRESENT:

Garret S. Abe  
Domingo Alboro, Sr.  
Joseph A. Franco  
John Hirashima, Chairman  
Lokelani Lindsey  
L. Douglas MacCluer  
Shigata Murayama

Also present: Paul Mancini,  
Attorney for Special Charter Commission

---

QUALITY COMPUTERIZED TRANSCRIPTION  
-by-  
IWADO COURT REPORTERS, INC.  
2233 Vineyard Street, Suite A  
Wailuku, Maui, Hawaii 96793  
(808) 244-9300

---

REPORTED BY: ROGER K. WILLIAMS, CSR #201

---

APPENDIX "C"

IWADO COURT REPORTERS, INC.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

I N D E X

THOSE GIVING TESTIMONY:	PAGE
William S. Ellis	9, 29
Lee Dodson (Reading Statement of Wm. C. Crockett)	13
Rick Medina	19
Gordon Okazaki	25
John Hirashima (Reading Statement of Joe S. Tanaka)	26

1 MR. HIRASHIMA: Good Evening. My name is John  
2 Hirashima, and I would like to welcome you here to this  
3 public hearing of the Special Charter Commission to review  
4 the Department of Water Supply.

5 Notice was given on Thursday, November 25th, 1987, in  
6 the Maui News that the Special Charter Commission to study  
7 and review Article 8, Chapter 11 of the County Charter,  
8 relating to the operation and financing of the Department of  
9 Water Supply, County of Maui, would conduct public meetings  
10 at the following dates, times and locations:

11 Wednesday, December 2nd, 1987, 7:00 p.m., at  
12 Kaunakakai School Cafeteria, Kaunakakai, Molokai, Hawaii.

13 Wednesday, December 2nd, 1987, 6:00 p.m., at the Old  
14 Hana School Cafeteria, Hana, Hawaii.

15 And this evening, Thursday, December 3rd, 1987, 7:00  
16 p.m., in the Council Chambers, 8th floor, Kalana O Maui, 200  
17 South High Street, Wailuku, Maui, Hawaii.

18 The purpose of this meeting is to obtain public input  
19 on the preliminary proposal of the Special Charter Commission  
20 to create a semi-autonomous Department of Water Supply. The  
21 preliminary proposal of the Special Commission would amend  
22 Chapter 11 to reflect the following:

23 Section 8-11.1. Organization. There shall be a  
24 department of water supply consisting of a board of water  
25 supply, a director, a deputy director and the necessary

1 staff.

2 Section 8-11.2. Functions of the Department.

3 1. All water systems owned and operated by the  
4 county, including all county water rights and water sources,  
5 together with all materials, supplies and equipment and all  
6 real and personal property used in connection with such water  
7 systems shall be under the control of the department.

8 2. The department shall have full and complete  
9 authority to manage, control and operate water systems and  
10 properties used in connection with such water systems.

11 3. The department shall implement the county's  
12 general plan and community plans in the administration of its  
13 affairs. There shall be a long-range plan of the department  
14 which shall be subject to the approval of the county council,  
15 as provided by law.

16 4. The county council shall have the authority to  
17 issue general obligation bonds for the benefit of the  
18 department.

19 Section 8-11.3. Board of Water Supply. The board of  
20 water supply shall consist of nine members who shall be  
21 appointed by the mayor with the approval of the council. The  
22 planning director and the director of the department of  
23 public works shall be non-voting ex-officio members of the  
24 board.

25 Section 8-11.4. The board of water supply shall:

1           1. Appoint, evaluate and remove the director of the  
2 department of water supply and fix the director's salary.

3           2. Have the authority to create and abolish  
4 positions;

5           3. Adopt rules and regulations which shall have the  
6 force and effect of law relating to the management, control,  
7 operation, preservation and protection of the water works of  
8 the county;

9           4. Adopt an annual operating and capital budget;

10          5. Have the authority to issue revenue bonds under  
11 the name of the board of water supply;

12          6. Have the authority to acquire by eminent domain,  
13 purchase, lease or otherwise, and to sell, lease, or  
14 otherwise convey real property in the name of the Board of  
15 Water Supply;

16          7. Have the authority to fix and adjust rates and  
17 charges for furnishing water;

18          8. Perform such other duties and functions as shall  
19 be prescribed by law.

20          Section 8-11.5. Director of Water Supply. The  
21 director of the department of water supply shall be appointed  
22 and evaluated by the board of water supply, and may be  
23 removed by the board of water supply. The director shall  
24 have a minimum of three years of experience in an  
25 administrative capacity, either in public service of private

1 business, or both. The director or his deputy shall be a  
2 registered engineer.

3 Section 8-11.6. Powers, Duties and Functions. The  
4 director shall:

5 1. Recommend rules and regulations for the adoption  
6 of the board.

7 2. Administer the affairs of the department,  
8 including the rules and regulations adopted by the board and  
9 be responsible for the day-to-day management and control of  
10 all water systems of the county;

11 3. Prepare and maintain long range capital  
12 improvement plans for the adoption by the Board.

13 4. Appoint a deputy director;

14 5. Prepare for the board's review and adoption of an  
15 annual report concerning the department to the mayor and the  
16 council.

17 6. Coordinate the affairs of the department with the  
18 annual report concerning the department to the mayor and the  
19 council.

20 7. Perform such other duties and functions as shall  
21 be prescribed by law.

22 Section 8-11.7. Revenues. The revenues of the  
23 department shall be kept in a separate fund and shall be such  
24 as to make the department self-supporting.

25 The Special Charter Commission was provided for as

1 part of the charter amendments accepted by the voters in  
2 1982. The 1982 charter amendments removed all powers from  
3 the Water Board and made it an advisory body. While the 1982  
4 commission made this recommendation, it experienced a diverse  
5 cross-section of opinions and, I quote, "was forced to accept  
6 the proposition that it might indeed be in error in proposing  
7 a shift from a strong water board to a weak one", end of  
8 quote.

9 The Special Charter Commission was appointed by Mayor  
10 Tavares and confirmed by the County Council early this year.  
11 Members of the Commission are as follows:

12 Garret S. Abe, in the yellow shirt here; Domingo  
13 Alboro, Sr., on my far right; Pancho Alcon, who conducted a  
14 hearing in Molokai and will not be here tonight; Irene  
15 Bodden, who is off-island on vacation; Joseph A. Franco, with  
16 the blue shirt to my left; myself, John Hirashima; Dr. Milton  
17 M. Howell, who conducted the public meeting last night up in  
18 Hana, and who will not be here; Shinso Kato, who is  
19 off-island and will not be here; L. Douglas MacCluer, in the  
20 checkered shirt; Lokelani Lindsey, who was part of the  
21 Molokai hearing last night, and may not be here; Shigeto  
22 Murayama, who is not here yet; and Paul Mancini, Attorney for  
23 Special Charter Commission.

24 Our report and recommendations must be submitted to  
25 the County Clerk by March 1, 1988. Any proposed changes to

1 the charter regarding the Department of Water Supply will be  
2 placed on the ballot in November 1988, the approval by the  
3 voters. The commission has met regularly since being formed  
4 and has held discussions with a board cross-section of people  
5 regarding the Water Department. Letters were sent to  
6 various community and professional organizations soliciting  
7 input. In addition, the mayors and council chairmen of the  
8 other three counties were interviewed to determine their  
9 views regarding the operations of their respective water  
10 departments.

11 As a result of these meetings, interviews, and  
12 correspondence received, the Commission has formulated  
13 preliminary charter amendment proposals which are detailed on  
14 the handout. I would like to emphasize that these proposals  
15 are preliminary in nature and are subject to change as a  
16 result of this hearing or other information which we receive.

17 We ask that those wishing to testify this evening sign  
18 up on the sheet provided and you will be called in the order  
19 of the list. To accomodate all those wishing to testify, we  
20 ask that you limit your testimony to five minutes and stick  
21 to the subject at hand. After all who have signed up have  
22 spoken, anyone else wishing to speak may do so and will be  
23 afforded five minutes.

24 We invite written testimony and those wishing to write  
25 to the Commission should address correspondence to the



1 Special Charter Commission, c/o Department of Water Supply,  
2 P.O. Box 1109, Wailuku, Hawaii 96793.

3 We will now receive testimony. When you come up to  
4 the microphone, please state your name and where you live. I  
5 would like to call William S. Ellis, Jr..

6 MR. ELLIS: Thank you, Mr. Chairman. May I ask a  
7 question before I begin? You mentioned that those who hadn't  
8 signed up could come back after everyone else had a five  
9 minute chance.

10 At that time, does that include a coming back for a  
11 second time around, if there's enough time?

12 MR. HIRASHIMA: I see no reason why we should restrict  
13 any testimony. Yes, you can come back a second time.

14 MR. ELLIS: Thank you.

15 I am here this evening as a Kula resident. I have  
16 been a Kula resident since 1958. I am also here primarily as  
17 the president of Wai'Aina, Limited, doing business as Hawaii  
18 Water and Land Consultants.

19 I have been involved in this subject matter area since  
20 1956. And my last project was for the Board of Water Supply,  
21 City and County of Honolulu, the Oahu Water Plant.

22 This is the fourth edition of the Oahu Water Plan that  
23 was first published in 1961. And I worked in-house with the  
24 staff, getting no recognition for what I did, but having been  
25 responsible for editing, writing, design production of this

1 particular publication.

2 I also did a Summary Report; and before we did it, I  
3 did the guide lines for Water Resource Planning -- for Water  
4 Supply Planning.

5 Now, I'm not familiar with things that have happened  
6 as a result of the legislation regarding the Water Code. And  
7 I know it has some kind of an impact on the planning process.

8 And so for this evening, I have xeroxed a copy of the  
9 Proposed Charter Amendment, newspaper, compared it with the  
10 existing Charter provisions for the Board of Water Supply.

11 Now, within five minutes, I won't be able to cover any  
12 of these things in depth, and what I can't cover tonight, I  
13 will try to put in writing subsequently. But basically, I  
14 have three major concerns.

15 Number One is the organization, the proposed  
16 organization. The Board of Water Supply of Honolulu consists  
17 of seven members, two of whom are ex-officio. They manage a  
18 Chief Engineer and staff. No Department.

19 And I feel that a Department is surplusage in a  
20 semi-autonomous situation. Basically, your Board of Water  
21 Supply is a Board of Directors for a Municipal Water Supply  
22 Utility.

23 And as you know, in Honolulu, we have the separate  
24 buildings, plant and so forth. It's like an electric company  
25 in a sense.

1           And when you start inter-meshing the Board with the  
2 Department, I think you have problems, organizationally. So  
3 I would suggest that you invert the organization; delete the  
4 Department, and then say that the Board of Water Supply shall  
5 consist of so many members: A Manager and his deputy or a  
6 Director and his deputy and staff.

7           This is my first suggestion.

8           Now, in the area of planning, which I have been  
9 involved with for many years -- including the Honolulu Water  
10 Resources Plan, which was a five year project, Federal, State  
11 and County, all kinds of plans, all kinds of concepts of  
12 planning, all kinds of semantic problems, defining objectives  
13 and concerns and addressing those concerns and all of that  
14 sort of thing -- and so I feel that the Charter, being sort  
15 of the Constitution of the County, should be generally  
16 responsible to avoid the pitfalls that I see in Paragraph 3,  
17 Section 8-11.2. 8-11.2 and its correlation to Paragraph 3 of  
18 Section 8-11.5 -- 8-11.6, Powers and Duties of Directors.

19           The problem that I see here is -- first of all, I  
20 understand that this long range plan, Paragraph 3 of 8-11.2,  
21 is mandated under the Water Code.

22           Essentially, this Oahu Water Plan is a long range  
23 plan. And then down below, it says Capital Improvement Plan.  
24 I think essentially it should be the same plan. And the  
25 affairs of the Board of Water Supply should be conducted in

1 accordance with its plan, its long range plan -- which may  
2 not be an improvement to Council -- but its plan.

3 And its plan shall be consistent with a number of  
4 other plans: the State general Plans, the State Functional  
5 Plan, the Community Plan of the County of Maui, the General  
6 Plan of the County of Maui -- many, many plans. And I have  
7 given, with a transmittal letter, documentation having to do  
8 with the planning, organization, and implementation of the  
9 construction of the Oahu Water Plant, which was but a minor  
10 part within the framework of the vastly complex plan.

11 This plan was implemented by the Board of Water Supply,  
12 for the benefit of the community, and without the City and  
13 County of Honolulu interfering in the administration of its  
14 affairs.

15 And the lesson to be learned from a study of how this  
16 organizational worked in Honolulu is a notice and  
17 notification, I believe, of how to avoid heading for a  
18 pitfall.

19 And so I will cover this in a written comment. But  
20 basically, the Planning Director, the Director who is under  
21 the control of the Board of Water Supply, should be preparing  
22 a plan, approved by the Board, and then by the Council, I  
23 suppose, which is the basis for your capital improvements.

24 The Facility Plan, it flows from your General Plan,  
25 and you are going to achieve this, you need reservoirs,

1 transmission mains and the like. So I think the planning  
2 process should start and be well contained within the  
3 Administration of the Board of Water Supply.

4 Don't let it get out of control, and what you are  
5 doing is complementary to or in consonance with the Community  
6 Plan, the General Plans and the like; but not -- your are not  
7 implementing a plan with a plan.

8 This is where my main concern is. Thank you.

9 MR. HIRASHIMA: Do any of the Commissioners have  
10 questions of Mr. Ellis at this point?

11 Thank you very much.

12 MR. ELLIS: Thank you.

13 (Commissioners Murayama and Lindsey entered the  
14 Council Chambers)

15 MR. HIRASHIMA: Next I would like to call Mr. Lee  
16 Dobson.

17 MR. DOBSON: Good evening.

18 I am Lee Dobson, resident of Kihei. But I am here to  
19 speak for and make a statement -- read the statement of  
20 William C. Crockett, also a resident of Kihei.

21 He asked if I would read this, and I realize you have  
22 a copy of it in front of you. But since he did ask me to  
23 read this for him -- he's off-island -- I will ask your  
24 permission to just read his statement. Thank you.

25 (Reading) I have lived on Maui for 60 years. During

1 the past 25 years I served on 3 of the 4 Maui charter  
2 commissions. Those commissions studied the question that you  
3 have been wrestling with. Who should be responsible for the  
4 County's water system? The Mayor and Council? Or should an  
5 appointed Board operate an independent water system?

6 A preliminary observation. The parallel that some  
7 draw, for this discussion, between water and electricity, is  
8 false.

9 Electricity can be generated by a backyard windmill,  
10 as a sugar mill byproduct, or at a cogeneration boiler. But  
11 no one can make water. Water is a scarce resource. Water is  
12 essential to life.

13 The charter proposed by the 1982 commission placed  
14 full responsibility for the water system on the Mayor and  
15 Council. The voters approved that charter by a substantial  
16 majority at the November 1982 election.

17 The charter calls for the creation of your commission.  
18 Why?

19 The 1982 charter commission was concerned that giving  
20 the Mayor and Council responsibility for the water system  
21 might turn out badly. The Mayor and Council might act  
22 irresponsibly, leading to their ruination of the County's  
23 water system. Your commission was our insurance against a  
24 totally irresponsible Mayor and Council. I shall return to  
25 this point at my conclusion.

1           There were three reasons why the 1982 charter  
2 commission decided that Maui County's water system should not  
3 be operated independently by an appointed Board. That is,  
4 reasons why the Mayor and Council are responsible for the  
5 water system under the charter.

6           1. Land Use Planning And Water Availability Are  
7 Inseparable.

8           Land use planning and water availability are  
9 indivisible parts of the same coin. Whether or not  
10 development should occur involves fundamental policy issues  
11 best decided by elected officials.

12           In Maui's recent past, with an appointed Board  
13 operating the water system, such fundamental development  
14 issues were decided by the non-elected Board, not by the  
15 County's elected officials. The appointed Board imposed  
16 "water moratoriums" that stopped all development. The  
17 appointed Board required the payment of water development  
18 fees that put development in certain areas at an advantage or  
19 disadvantage. In short, that appointed water Board decided  
20 whether or not, and where, development should occur on Maui.

21           Let me illustrate my point with a current issue.  
22 Development and use of the Hawaiian Homes Keokea lands cannot  
23 proceed without the construction of expensive new water  
24 lines. The decision on whether the County water department  
25 should assist (or not assist) Hawaiian Homes with the

1 development of its lands should be based on wide ranging  
2 social considerations. Elected official, not an appointed  
3 board, should make that decision.

4 2. Independent System Results In Increased Cost.

5 An independent water system will hire its own separate  
6 support staff. For example, an independent water system will  
7 engage its own attorneys instead of relying upon the County  
8 Corporation Counsel. Administrative costs will be increased.

9 An independent water system cannot issue "general  
10 obligation" bonds. Only the Mayor and Council can authorize  
11 general obligation bonds.

12 The independent water system can issue "revenue  
13 bonds". But revenue bonds normally carry an interest rate  
14 about 2% higher than the rate on general obligation bonds.

15 The County water system must be improved. We hear of  
16 capital improvements for the water system that cost \$60-70  
17 million. That money must come from bonds. A 2% interest  
18 rate difference adds an unnecessary cost burden that water  
19 consumers must pay.

20 3. Responsive Government.

21 The 1982 charter commission wanted County government  
22 to be responsive to the people. We believed in democracy.

23 Today, in 1987, I sense an even stronger grassroots  
24 desire for democracy in County government. An appointed  
25 water Board, empowered to make basic decisions that affect



1 the lives of people, is not democracy.

2 I return to the beginning. Why was your commission  
3 created? You were not appointed to recommend change just for  
4 the sake of change. The present charter was approved by a  
5 substantial majority vote in 1982 -- only 5 years ago.

6 If you propose a change in the charter, then you have  
7 the heavy burden of showing that a serious mistake was made  
8 in 1982. You must show that the Mayor and Council have acted  
9 irresponsibly, and that the water system's doomsday is at  
10 hand.

11 There is no such evidence of chaos in the water  
12 system. Nor is there evidence of community-wide  
13 dissatisfaction with the existing organization of the water  
14 department under the charter.

15 Stability in the form of government is a virtue.  
16 Constant change in the underlying organization of County  
17 government, by itself, creates confusion and inefficiency.

18 The present charter must be reviewed by another  
19 commission in 1991. That commission will examine, again, the  
20 governance of the County's water system. I suggest that you  
21 not propose a change in the organization of the County's  
22 water system at this time.

23 And it's signed William F. Crockett. Thank you.

24 MR. HIRASHIMA: I would like to call on Rick Medina.

25 MR. MEDINA: Thank you, Mr. Chairman, and members of

1 the Charter Commission.

2 I just had an opportunity today to look at the  
3 amendment. By the way, I'm Rick Medina. I live at 3733  
4 Meloi Street in Wailuku.

5 I would like to just comment on the amendment  
6 paragraph by paragraph.

7 So starting with the first paragraph, I just wonder if  
8 the Water Board would own the 5th floor, if they take over  
9 this department -- which is not a facetious question, because  
10 at one time I understood the 5th floor was owned by the Water  
11 Department.

12 These are just questions off the top of my head, just  
13 to maybe generate some thoughts amongst the members.

14 But I was just wondering if the Fire Department would  
15 have to pay for their water when they used it to fight fires.  
16 And who would handle the fire hydrants and so on and so  
17 forth?

18 Not that I'm opposed to what you are doing here, but  
19 just these questions that came to my mind as I read this.

20 And the good thing about this is Paragraph 3, I think.  
21 Before, when the Water Board was autonomous, we had no  
22 community plans. Now, we do have community plans, and I am  
23 glad the Charter Commission has recognized this, and  
24 hopefully, will follow the plans themselves, because I think  
25 they're good.

1           But if you're going to do this now, in accordance with  
2 the plans, that would be fine.

3           I understand the Planning Director is responsible to  
4 characterize the capital improvements that we will come up  
5 with.

6           How that's going to work with a semi-autonomous Board,  
7 I don't know, but I feel a little bit more comfortable that  
8 the community plans have been adopted in considering  
9 something like this.

10          If we had no plans to consider, I would consider that  
11 this would be a creation of another little government, which  
12 might be difficult.

13          Now, to avoid creating another little government, I  
14 would suggest that the Section 8-11.3, where the nine members  
15 of the Board are appointed by the Mayor, with approval of the  
16 Council, that you put in there that possibly the members of  
17 the Charter Commission may be removed by the Council.

18          The Corporation Council and the Prosecuting Attorney  
19 are presently appointed by the Mayor with the approval of the  
20 Council, and those two people can be removed by the Mayor  
21 with the approval of the Council.

22          This, I think, would insert into your plan a safeguard  
23 to the people. At the present time, there are no checks and  
24 balances, the way this thing is written out.

25          The Board would have, I think, tremendous powers; and

1 I think that some sort of safeguard is necessary, for the  
2 protection of the people. So I think that if the Board were  
3 to do things that might not be kosher, there should be a way  
4 to remove them, other than a recall amendment.

5 Some of the things here may conflict with Charter Law  
6 and State Law. Now, I realize that if they do conflict, that  
7 those amendments will be made to the other conflicting  
8 Charter Law. But if this conflicts with State Law, how is  
9 that going to be amended?

10 For example, I think the eminent domain powers are  
11 granted to the Council by State Law. Now, I don't know if  
12 Paul -- Paul maybe knows this answer. But that law may be  
13 superseded by Charter Law. I don't know.

14 Anyway, adopting rules and regulations. Right now  
15 Charter Law provides for the Council ratifying, I think, those  
16 rules and regulations. I don't know if that will continue to  
17 be the case.

18 In how you are looking at this, creating and  
19 abolishing positions, presently a Charter Law, that gives  
20 that power to the Council and the Mayor.

21 So I guess those have to be amended, if you want to  
22 give that power to the Board. And in that case, I wonder how  
23 civil servants will feel working under this system, if  
24 there's going to be any problems for the worker under this  
25 system.

1           Also -- let see. Fixing and adjusting rates.

2           Right now, the Charter says -- it says rates will be  
3 set in the budget, and I guess that will have to be amended,  
4 if you put this in here.

5           So if -- if you are going to have something like this,  
6 as I said, I feel a little comfortable now with the Community  
7 Plans on board.

8           But the only thing I think we need are some safeguards  
9 that would prevent the Board from becoming the czar of the  
10 water situation here on Maui, in Maui County.

11          And I believe and I think the people deserve some way  
12 of amending things; and possibly by the Council to remove  
13 people, if that is necessary.

14          As the Council can be removed by the voters in the  
15 election, and the Prosecuting Attorney and the Corporation  
16 Counsel can be removed by the Mayor, with the approval of the  
17 Council.

18          So -- otherwise, I guess, as I said, I would have  
19 considerable doubts in my mind, to support something like  
20 this, if we did not have the Community Plans in effect.

21          But -- because now I think it's very important that  
22 all decision makers take a look at those Community Plans and  
23 try to complement the capital improvements, as desired by  
24 those particular plans, if everybody can follow these things,  
25 maybe the kind of power that the former Board had might be

1 avoided.

2 Some of the things that took place in this County and  
3 this State might be avoided.

4 So leaving you with those amendments in mind, I thank  
5 you very much.

6 MR. HIRASHIMA: Thank you very much, Mr. Medina.

7 Do any of our Committee Members have questions?

8 Doug?

9 MR. MAC CLUER: Rick, you said you felt that the  
10 Commissioners should be -- or it should be possible for the  
11 Commissioners to be replaced by the Council. Or do you mean  
12 that the Water Board members should be replaced by the  
13 Council? With two thirds majority or something like that?

14 MR. MEDINA: It says: "The Board of Water Supply  
15 shall consist of nine members who shall be appointed by the  
16 Mayor with the approval of the Council."

17 MR. MAC CLUER: Right.

18 MR. MEDINA: And may be removed by the Council or by  
19 the Mayor.

20 See, right now, there's no way to get rid of these  
21 guys. If we end up with lemons, I think there should be a  
22 way to get rid of them if necessary.

23 MR. MAC CLUER: And what kind of vote would you say  
24 would be required from the Council? A two thirds?

25 MR. MEDINA: I would think the same thing as

1 everybody. Five votes. You know.

2 Now, the two thirds -- is it two thirds votes?

3 MR. MAC CLUER: Okay.

4 MR. MEDINA: To me, that has been a big question in my  
5 mind, as to whether it should be two thirds, anyway. But if  
6 the Charter said two thirds -- you know, five people on this  
7 nine member Board are going to control that Board; that's all  
8 you have is five, to be the majority.

9 So if you are going to remove somebody, why is it you  
10 need six?

11 I think to remove the Corporation Council and the  
12 Prosecuting Attorney, you don't need six, do you, Paul?

13 MR. MANCINI: No.

14 MR. MEDINA: No.

15 MR. HIRASHIMA: Correct. Rick, you mentioned that the  
16 rules and regulations presently can be vetoed. Actually, it  
17 doesn't -- can't be vetoed, but the Council has some action  
18 they may wish to take, to stop, you know, rules and  
19 regulations.

20 Would you be in favor of the Council maintaining veto  
21 powers over any rules and regulations?

22 MR. MEDINA: This is a hard -- you know, you want to  
23 say that the Board can set the rates. And then you want them  
24 to do the rules and regulations. Now, in those rules and  
25 regulations, if you are going to put things down like a

1 moratorium on water meters in Kula -- I think that the  
2 Council ratified that -- but if you come up with something  
3 like, say, you are going to put a moratorium on water meters  
4 in Central Maui, and the Council disagrees, should the  
5 Council have the right to disagree?

6           Isn't that a powerful rule for the Board to make? So  
7 I'm just requesting whether or not we should have some kind  
8 of check and balance there. And if that is the kind of rule  
9 that this Board might make, then maybe you should consider  
10 ratification by somebody else.

11           You know, the way I look at this, it's not a  
12 semi-autonomous body. This is an autonomous body that you  
13 are creating here, the way this thing is written. So if you  
14 want to make it semi-autonomous, then you give the Council  
15 the power to ratify the rules and regs, or at least to put  
16 some pressure on them to make some of these decisions with  
17 you, with the Board.

18           The other thing, too, if you are going to be doing  
19 something like this, it might be a good recommendation to  
20 have these people run for this Board, to be elected to it  
21 every two years.

22           - Because you are giving this group of people tremendous  
23 powers. So -- but if you don't do that, then have the people  
24 have a chance to remove them, if it has to be done.

25           MR. HIRASHIMA: Thank you. Any other questions?



1 MR. MAC CLUER: Thanks, Rick.

2 MR. HIRASHIMA: Thank you very much, Rick.

3 I would like to call Gordon Okazaki.

4 MR. OKAZAKI: My name is Gordon Okizaki, and I am just  
5 retired. I would like to express my feeling that I am in  
6 favor of semi-autonomy for the Water Department.

7 For such an important commodity as the water, I figure  
8 is very important, how our future is directed. Now, there  
9 are four counties in the State of Hawaii, which Maui County  
10 is the only one which is under the County. And the rest of  
11 the County had gone under different ways in trying to abolish  
12 their autonomy status.

13 But by educating people and everybody, that they were  
14 able to maintain their semi-autonomous status. Now, the part  
15 that -- that the Department is now is under the Mayor and  
16 Council, it was the people's voting to move the Water  
17 Department under the County, because they're trying to  
18 operate that department, the reason for delays and immediate  
19 responses were different. We should understand that the  
20 Water Department should be considered like a separate County,  
21 like Maui Electric, the telephone company, the gas company,  
22 all serves the public with their own income.

23 So that their funds are resources to put back into the  
24 water system.

25 Is there any questions?

1 MR. HIRASHIMA: Any questions for Gordon?

2 Thank you very much, Gordon.

3 Is there anyone who has not signed up who wishes to  
4 testify at this time?

5 Hearing none, I would like to read a letter which was  
6 submitted by Councilman Joe Tanaka. He requested that it be  
7 read. I do not represent him, but he did not send a  
8 representative to read the letter. So he wished that the  
9 letter be read.

10 And if I can find it, I will read it. Hang on just a  
11 second.

12 This letter is addressed to me as Chairman of the  
13 Special Charter Commission To Review the Department of Water  
14 Supply.

15 (Reading) Dear Chairman and Members:

16 Maui has entered a period of grave crisis over both  
17 the quality and quantity of its water, and though the crisis  
18 is duplicated elsewhere, we have a unique case here on Maui.  
19 Our source has been mainly surface water and will in the  
20 future because installing well systems at 3000 to 4000 feet is  
21 too costly. It is here that it is likely to be felt with  
22 particular intensity.

23 Mauians, like the other citizens of other counties,  
24 are accustomed to having unlimited supplies of inexpensive,  
25 clean water at their immediate disposal. It is almost always

1 there whenever we turn on a tap, whether we want it for  
2 drinking, for bathing, for washing our cars, for irrigating  
3 our farmland, or even just for looking at in public  
4 fountains.

5 We can, and often do, allow a gallon or so of pure  
6 drinking water to run down the drain while shaving or  
7 brushing our teeth, and worst of all, we think nothing of it.

8 Remember when we had an energy crisis a couple of  
9 years ago? Long gas lines, prices kept climbing up. Now,  
10 today, the realization that energy is not cheap and never  
11 would be; now, we are about to awake to the understanding  
12 that water, in the forms we require and of the quality and  
13 quantity we desire, is no longer a "free good" to be taken  
14 and used with hardly a second thought, and almost certainly  
15 will never again.

16 Some of what we have come to count among our basic  
17 liberties -- the right to build anywhere one pleases, the  
18 farmer's right to plant what he wants -- a number of these  
19 seemingly self-evident "rights" are going to come under  
20 attack, and they are going to be altered or abandoned in  
21 coming years.

22 We are now about to suffer a bit. We have abused the  
23 system of our supply of water for a very long time now.  
24 Whether it be politics, mismanagement, et cetera, we know now  
25 for every cause there is an effect. What now?

1           We know the problem in the quality of water. It has  
2 been the most publicized in recent years. Our problems are  
3 not as great as those of the mainland, but we do have our  
4 share of problems.

5           The other present-day problems with water have to do  
6 with its quantity.

7           The underground infrastructure by which clean water is  
8 delivered has deteriorated greatly because of age, the impact  
9 of traffic and neglect.

10          The crisis in water would not be so severe if it were  
11 not for another problem that runs straight through every  
12 issue of quantity and quality. It is the fact that the  
13 County, so far, has been a failure recognizing the water  
14 problems, planning for it, protecting its citizens against  
15 it, informing them of it or figuring out what to do about it.

16          Our County has stood by, as greed has mined water from  
17 the ground until the sources have collapsed, networks or  
18 pipes that carry water to its citizens have cracked and  
19 disintegrated.

20          This failure of our County is at the bottom on the  
21 crisis in water, but our County cannot continue in its  
22 careless and irresponsible role much longer.

23          Sincerely, Joe S. Tanaka, Councilmember.

24          At this time, I would like to call on any of those who  
25 have previously testified who wish to add to their comments,

1 to step forward for another five minutes.

2 Mr. Ellis?

3 MR. ELLIS: I would like to echo Rick Medina's concern  
4 about checks and balances. On looking back to the previous  
5 semi-autonomous Board, and some of the -- you might say --  
6 abuses, in the Board of Water Supply in Honolulu, Frederick  
7 Art was the Manager for twenty-five years. Now, he was boss  
8 of the operation, and that's the way that it should be.

9 The Director should be running the show, not the  
10 Chairman of the Board of Water Supply. In Honolulu, the  
11 Board, among its members, the Chairman is annually selected.  
12 Of course you can have more than one term.

13 But I think one way to prevent the fiefdom from  
14 building up in what is a separate government entity,  
15 practically, is to limit the terms of the Board of Water  
16 Supply members to no more than two, we'll say, and not come  
17 back again after there's a lapse.

18 Limit the term of the Chairman to, say, no more than  
19 two years, or whatever. Your intention is to maintain  
20 continuity.

21 Now, that's desirable, and that's, I think, an  
22 ultimate purpose of the Board of Water Supply. But you can't  
23 have the Board usurping management functions. It's a Board  
24 of Directors.

25 This is the way I think it should be considered, and

1 there are checks and balances there. I think also there  
2 might be geographical representation, which is equivalent  
3 roughly to the Council manner of election.

4 Maybe a few at-large, and -- but having a wide  
5 representation of geographical areas, I think is significant;  
6 and even though these people are not elected, they would have  
7 a constituency, and would be looking after their local  
8 problems, in the Board meetings.

9 There's a Capital Improvement Budget, and  
10 prioritizing, that Rick mentioned, and also the fact that  
11 he's concentrating on the Community Plan is a safeguard.

12 The Board of Water Supply does not determine where the  
13 population will be in Honolulu.

14 I mean, in other words, the planning process there  
15 takes a given factor, the demographics that are determined  
16 under the General Planning process.

17 And it's their objective and their mission, their  
18 mandate, to provide the water for the projected population.

19 And it has been a mismatch in terms of population  
20 projected for areas where there is no water; but as this plan  
21 process settles down, I think the -- the management of the  
22 Board of Water Supply can do its own plans in consonance with  
23 everything else, and there would be or should be a capable  
24 complementary working relationship there.

25 I notice there's a matter of a few items in the

1 wording of your amendment. I think the word "improvement"  
2 should always come after "capital".

3 You have a few places where you are talking about a  
4 capital budget, or capital improvement, CIP, and as far as  
5 the -- the subheading, there's one for the duties and  
6 functions of the Director. But there is no subheading for  
7 duties and functions of the Board. And the context, as a  
8 person skims through this amendment, there should be a way to  
9 just latch on to major subheadings.

10 In terms of Mr. Crockett's remarks, I am in accord  
11 with him up to a point, but I don't think this commission --  
12 your commission -- is obliged to pass up reinstatement of a  
13 semi-autonomous Board -- unless the present system has  
14 failed.

15 I don't think that's your mandate at all. It seems to  
16 me that there is a heavy sympathy toward a semi-autonomous  
17 efficient management of the Water Works of the County.

18 And when it comes to the rules and regs, you left out  
19 the protection of the resources. I don't know why. But you  
20 are protecting the Water Works, but you want to protect the  
21 resources that allows the water to work.

22 And I will put those things in a separate  
23 communication.

24 Thank you.

25 MR. MANCINI: Bill?

1 MR. ELLIS: Yes?

2 MR. MANCINI: I didn't quite understand. Are you in  
3 favor of the proposal or against it?

4 MR. ELLIS: I am in favor of the proposal. I think it  
5 works very well in the City and County of Honolulu.

6 It's a marvelous functioning entity. It's, I think,  
7 an outstanding example of a Municipal water utility. And you  
8 know, there's that example to go by. And they have learned a  
9 lot over the years. And there's a lot to borrow from them.  
10 That's what I am saying.

11 MR. HIRASHIMA: Any other questions from Mr. Ellis?

12 Thank you very much, Bill.

13 Is there anyone else wishing to speak at this time?

14 Thank you very much for your attendance at this is  
15 public hearing and for your testimony. This public hearing  
16 is adjourned.

17

18

19

20

21

22

23

24

25



1

2

## REPORTER'S CERTIFICATE

3


I, ROGER K. WILLIAMS, Certified Shorthand Reporter in  
4 the State of Hawaii, do hereby certify that the foregoing  
5 pages comprise a full, true and correct transcript of the  
6 proceedings held in connection with Special Charter Commission  
7 Hearing.

8

Dated this 19th day of December, 1987.

9

10



Roger K. Williams, CSR #201

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25