

COMMITTEE A
CHARTER COMMISSION
MEETING MINUTES
FEBRUARY 27, 1992
COUNCIL COMMITTEE ROOM

Present

James Cockett
Dolores Fabrao
Annette Mondoy
Victor Reyes
Allan Sparks (Committee Chair)
Anne Takabuki
Susan Nakano-Ruidas (Staff)

Excused

Sherrilee Dodson
Robert Nakasone
Jamie Woodburn
Deborah Wright
Lloyd Yonenaka

Guests

Donn Takahashi
Roger MacArthur

- I. CALL TO ORDER
Chair Sparks called the meeting to order at 2:03 p.m.
- II. PUBLIC TESTIMONY
None.
- III. OVERVIEW/DISCUSSION OF ARTICLE 3, SECTION 3-5,
SALARY COMMISSION PROCEDURES
 - A. Donn Takahashi, Chairman, Salary Commission
 - B. Roger MacArthur, Salary Commission member

Takahashi: "We have two recommendations we'd like to bring before the Charter Commission, and these have come about after 24 meetings with our commission, and after about a year and a half of working with the salary structure. The first one is the full time vs part time status of the County Council members.

At the Committee of the Whole meeting on June 26, 1991, Roger MacArthur and I appeared before the County Council to talk about the final report that we had submitted for the fiscal year 1991-1992. We had evaluated the Council member's salary based upon their current job functions. During our deliberations, several of the Council members had submitted written testimony with regards to the number of hours they spend, their job functions and how big their job has gotten over a period of time. Some of the Council members are dependent upon the salaries that are provided for this position, although the term is part time, because you can have another business.

So, we would like the Charter Commission to look at the status, as to what it should be, in the best interest of of the County. And, then we will evaluate it in turn, once a final determination or consideration is given. And, we suggest that there be some testimony brought forth by Howard Kihune and other Council members, because they are in the position to better explain it than we are. But this was an item which came forth to us."

III. OVERVIEW/DISCUSSION OF SALARY COMMISSION PROCEDURES (Continued)

MacArthur: "I've heard both pros and cons as to part time vs full time. There are certain members that have part time jobs, and, in fact, if the Charter Commission were to come in and suggest that a full time vs part time be considered, that might have an adverse affect on other people running for office, because the salary for many people is not adequate to provide a livelihood. We don't know which is the right definition to use. It was an issue that was continually brought up."

Mondoy: "It's always been a part time, right?"

MacArthur: "To the best of my knowledge, yes, it always has been. There are certain Council members that work 60 hours a week, and there are others that may not put in as much time, depending on what functions they want to attend, what meetings they want to attend. There is no required 40 hours per week in that line of business."

Mondoy: "No mandatory minimum number of hours."

MacArthur: "That is correct."

Chair Sparks: "I don't recall any words in the Charter like part time or full time. Is there?"

MacArthur: "I don't know that it's cited in the Charter itself, but there is somewhere the issue of the full time vs part time."

Chair Sparks: "I suppose it comes down to salary."

Takahashi: "We looked at the other counties in terms of the salaries that they provide, and Maui County is number two."

Chair Sparks: "What is it now?"

Takahashi: "The City and County of Honolulu is currently at \$35,000 for members, \$42,000 for chairman. Maui's 1991-1992 is \$30,020 for the members and \$33,690 for the chairman. Maui's current fiscal year 1990-1991 is \$29,000 for members and \$32,550 for chairman."

Fabrao: "So the issue would be whether they should be designated full time or remain part time status. Or, are they talking about full time status? Then they would require more pay. Or, was there a consideration of the actual hours put in?"

MacArthur: "I really don't know if they were labelled full time Council members whether their salaries would be increased double that, because they're only part time. I think that would be very difficult to justify. I think we're here mainly

III. OVERVIEW/DISCUSSION OF SALARY COMMISSION PROCEDURES

MacArthur (Continued): to point out that certain Council members were offended by the fact they were considered part timers, when in fact they put in more than 40 hours.

Takahashi: "In our final report, we responded to their questions and some of these issues were in it. The responsibilities between the Council members seems to be varied, too. The amount of time they put in, what they do and how they use their time. Some do an inordinate amount of traveling, and trying to help the County, and are involved in so many things. Others may not put in that amount of time. So, I don't know if it would be beneficial to the County to have it all at one level, or have it the way it is now. I think that's the concern we wanted to bring to you."

Mondoy: "When they run for office, I'm sure they must be aware of the number of hours, more or less, and what the salary would be."

Takahashi: "True. It's very clear to me that they are in it because they want to serve the public, and that's their number one focus. But at the same time, when you put in that time, you also want to be fairly compensated for the time you put in. That's what we want to make sure--that we're fairly compensating our Council for their responsibilities and for the time that they put in."

Mondoy: "It's just that when we're talking about the inequity because some work that many more hours than others, how do you draw the line?"

Fabrao: "In your deliberation or report, did you find that there were certain areas that these certain Council members were involved in that took more time, than others that were not as involved, depending on the kind of assignments they had?"

Takahashi: "I think it depends on their area of responsibility, where the population base is, and a lot of different things that are going on within that particular area, and how they need to serve the public. On the other side of the coin, when you have a salary that's \$29,000, maybe if it was maybe \$15,000 more, you are going to get more qualified people that are going to run for office."

Chair Sparks: "Or, you'd get people who could drop all their other activities and survive on that, make it possibly full time."

Takahashi: "Exactly. And, do a better job, and not have to worry about other things. That's really the point we wanted to bring to the Charter Commission on that issue."

III. OVERVIEW/DISCUSSION OF SALARY COMMISSION PROCEDURES (Continued)

Chair Sparks: "My first thought is that, if it's right along those lines, it would be fine. If they have a salary that allows them to be full time, even though they are not retired and independently wealthy, then you are encouraging full time. If you have a real small salary, then you almost insure that somebody has to have an outside income, in order to be serving on a council, so you're almost requiring them to do it only part time.

Off the top of my head, I don't see what we might do in the Charter to make it clear as either part time or full time, short of something absurd--like setting up a per hour basis and have them punch a clock everytime they come in. Do you?"

Takahashi: "I think it would be worthwhile, and it's a little time consuming, to talk to the Council members directly, and get their input. Because, really, they're the people working with this. We're only making the recommendation because of what we came across."

Chair Sparks: "Your recommendation, if I understand it, is that we look into it, have a hearing, get some testimony from the Council..."

Takahashi: "Yes, exactly. And, if there's anything that comes out of that, then we, at the Salary Commission, would look into the salaries again; if there's any difference from what we currently have."

Chair Sparks: "When you set these salaries in the past, then you looked at what they do, right?"

Takahashi: "The current job function, yes. But, remindful that some people spend more time than others doing their job. Some Council members have a more difficult job to do."

Chair Sparks: "Right now the only distinction is between the chairman and the members."

Takahashi: "Right."

Chair Sparks: "Wouldn't it be within your jurisdiction to make further distinctions if you wanted to?"

Takahashi: "No. We're just looking at the status of the Council members, and maybe, in the future terms of office they cannot have a part time outside interest. I don't know. This is not our area of expertise."

Chair Sparks: "Do you happen to know what they do in Honolulu? Do they restrict outside interests?"

III. OVERVIEW/DISCUSSION OF SALARY COMMISSION PROCEDURES (Continued)

Takahashi: "I don't know. This is kind of outside of our realm of responsibility, so we didn't take it further."

MacArthur: "In reading some of the testimony received from Council member Medina, it reads in part: 'If there is any rationale as to what is a part time, and what is a full time position on the Council, as some people have said, there are some committees that meet more often than others.' So, this is being brought up by a Council member. Quite frankly, as we entered into our job as members of the Salary Commission, I was not aware of the part time/full time either. And, if it's not in there (the Charter), maybe this is a moot discussion."

But, maybe it's something that would require further input from the Council members themselves. And, we all do know that there are certain members that do have part time jobs. I personally would not want to see that requirement, that it has to be a full time job, because I think we've got some very good Council members that now have outside business activities. And, if they can serve both well--fine, and the voters determine that."

Chair Sparks: "Your philosophy is you have a Council of rather ordinary people who have other activities, and aren't full time politicians all the time."

MacArthur: "Sure. If they can represent my district well, and still have a part time job--go for it. Anyway, it's something we thought deserved some attention by the Charter Commission. If you find it doesn't need any further consideration, at least we..."

Fabrao: "Obviously it's bothering the Council members enough so that they wanted your input. I was just wondering, besides your recommendation to interview the Council members, do you have any other recommendations, so far as if it was deemed necessary to raise the salary; have you thought along those lines?"

Takahashi: "I think we'll take a look at it if there's a different determination made versus what we currently have. It would be premature to do that at this time. And, maybe there wouldn't be any change."

Fabrao: "I really don't understand why there would be such a furor raised about the part time or full time. Other than the actual hours put in, depending on what responsibilities they have, was there anything specific that may have hurt somebody's feelings by the use of the part time?"

III. OVERVIEW/DISCUSSION OF SALARY COMMISSION PROCEDURES (Continued)

Chair Sparks: "Their salaries in the past have been based on a part time scale. What is a part time scale? What is the scale? I'm really naive in all this. How do you do that?"

Takahashi: "When we were evaluating the salaries, we got testimony from everyone whose position we were evaluating. We looked at the budgets, we looked at as much information as we could that backed up one's job performance and salary requirements. We talked to each one of these people individually, and there's a ton of stuff that these folks do. But, we're also basing it off of what their current salary is, and what the other counties pay, so we're using those guidelines as well."

MacArthur: "Here's another excerpt from Howard Kihune: 'Also, I understand that your Commission is making recommendations to have the Charter Commission determine the scope of the Council, per se, as their type of work, whether it should be a full time determination, or part time, or what. Is that correct? Takahashi: That's correct. We've already transmitted a letter to the mayor to that effect, and it's gone to the Charter Commission. Councilman Kihune: Okay. Just one final note, Mr. Chairman. I think, Donn, you are asking this Council to hold back on any appropriations on the car allowance because you guys are going to determine that.'

Anyway, those are two situations where the part time/full time concern by the Council Chair..."

Chair Sparks: "I'm beginning to see the dilemma. You can't take a job description like you could for a department head or a deputy, and say this job description is a certain standard, and that it is comparable to a civil service, or any other scale, and say 'Okay, that job's worth X amount of dollars.' Because, they're all over the ballpark, with how much work they do, and how much time they spend, and it's a political issue."

MacArthur: "I think, perhaps, just deleting the word part time, if it's in there somewhere, or full time--leave it out completely."

Fabrao: "It's a matter of semantics. No need put it in at all."

MacArthur: "That's right. Just delete it."

Reyes: "It's a position; whatever it takes to get it done, that's what it is."

III. OVERVIEW/DISCUSSION OF SALARY COMMISSION PROCEDURES (Continued)

MacArthur: "And, the voters will determine whether or not they're doing their job."

Reyes: "And, there are benefits there. There are people who like to run for office, because they like to be in the limelight."

Fabrao: "And yet, there's no restriction in the Charter that says they can't have any other business or part time position."

MacArthur: "Right; no conflict of interest."

Chair Sparks: "And, they don't set their own salary, like Congress does."

Takahashi: "On our February 12 meeting of the Commission, we asked the mayor to come in representing her department heads and deputies, to make some recommendations to the Salary Commission as to what were the changes in the past fiscal year that will impact 1992-1993. And, she gave us four of them. Let me just read this, since it is self-explanatory:

'In 1991, the Board of Water Supply established new salaries for their director and deputy, \$72,900 and \$66,420 respectively. The new salary level for the director is now higher than that of the managing director, whose salary for 1991-1992 is \$71,810. The salary for the deputy director of the Department of Water Supply is higher than five of our department heads. While these salaries may be in line with the responsibilities carried out by those handling the Department of Water Supply, we ask that you include the information on these new salary levels in your review of all cabinet level salaries, and correct the existing anomaly.

In addition, in order to preclude a similar disparity in the future, we ask that you consider asking the Charter Commission to clarify the powers and duties of the Salary Commission, currently enumerated in Article 3, Section 3-5 in the Charter, and expanded in Chapter 2.4.2. of the Maui County Code, which states that the 'Salary Commission shall determine the compensation of the department head and first deputy, or first assistant, of all County departments enumerated in the Charter.' Section 8-11.4. of the County Charter states that the 'Board of Water Supply shall fix the director's salary.'

We have not had a chance, since our final meeting, to visit with the Board of Water Supply. And, I think, in all fair-

III. OVERVIEW/DISCUSSION OF SALARY COMMISSION PROCEDURES
Takahashi (Continued): ness to that Board, we need to have a conversation with them. But, what has happened is that the Board of Water Supply gave an increase of 7% to Rae Shikuma when she was in that position, and also to the deputy, and it kicked all those salaries up quite high. It really skews what we were trying to achieve in the Salary Commission. And, this is what the mayor is referring to. So, I guess there needs to be a determination as to what the Salary Commission should be totally responsible for--if it includes all salaries, or if this position is going to continue to be excluded. Then, we all have to understand that there's going to be some differences; differences that the Salary Commission may or may not fix.

And, some of these differences may refer to the collective bargaining agreements that are in place for the excluded managerial positions--where you have people who have been in these positions for a long period of time--they're making more than the deputies that supervise them. And, that's something that we can't fix in the short term."

Chair Sparks: "Can you explain that one again? I've run across that before, and I'm always a little confused."

Takahashi: "The excluded managerial positions are covered by collective bargaining."

Chair Sparks: "What exactly is excluded managerial positions?"

Takahashi: "This would be battalion chiefs, police inspectors, tax assessors; these are all people covered by the collective bargaining agreement, which is concluded every two years."

Chair Sparks: "So, they are part of HGEA?"

Takahashi: "Yes. Division heads, too. What we looked at is where the excluded managerial people are in relationship to the deputies and department heads. And, there were some inequities that were present. So we are trying to solve the problem which exists, particularly in the police and fire departments, where you want to promote from within, but if you promote from within and you become the deputy, you're going to be making less than you were before, if you remained in your old position."

MacArthur: "I think the issue really is that we are suggesting that if the Salary Commission addresses the salaries for all department heads and their deputies, those Commissions which appoints the police chief and

III. OVERVIEW/DISCUSSION OF SALARY COMMISSION PROCEDURES
MacArthur (Continued): "Liquor Commission which appoints the director of Liquor, that the same hold true for the Department of Water Supply. They have their own Commission, but we feel that to be consistent, that the Salary Commission also evaluate the salary structure for the director of Water Supply and deputy."

Chair Sparks: "So that's your recommendation; that they all be under the Salary Commission."

MacArthur: "Yes. In order to have consistency throughout the system, otherwise you could have a splintered situation, which we just went through."

Chair Sparks: "Right now there's a conflict here between the Water Supply provisions and the code. The ordinance expands these words to include all boards and commissions. If it went to the courts, have they told you how it would be resolved?"

Takahashi: "That's a legal question."

MacArthur: "That's something I guess Corp Counsel, or your attorney, which you have...I don't know."

Chair Sparks: "I just wondered if anybody had analyzed it for you."

Takahashi: "We went through the evaluation for the first time last year, of all department heads and deputies."

Takabuki: "It's very clear right now (in the Charter). An ordinance can't supercede this."

Chair Sparks: "That would be my guess, too."

Takahashi: "Last year we went through the first evaluation of the department heads and the deputies, and that was a very difficult task because we had to talk to everyone, and get all the facts, and put together our report, which is pretty voluminous. This second time around, it was more or less evaluating any changes since that first evaluation, so we're trying to make it a little bit more consistent. But, what kind of threw it out of whack was this increase that was given to the director of Water Supply. And, we're not questioning the amount, it's just that it throws the salary scale out of whack."

Chair Sparks: "Did you, when you were doing your work, make a recommendation on the Water Department director?"

III. OVERVIEW/DISCUSSION OF THE SALARY COMMISSION PROCEDURES

Takahashi: "We didn't even know they were going to give an increase. I read about it in the newspaper."

MacArthur: "Actually, it wasn't part of our responsibility anyway."

Chair Sparks: "Because of that provision..."

MacArthur: "We had no input. We are not a body or part of that. They are independent."

Chair Sparks: "Semi."

MacArthur: "Independent as it relates to salary. They can set their own salary. Which seems to be inconsistent as it relates to other department heads."

Chair Sparks: "I'm just thinking about this. I wonder if there's a way that your Salary Commission would have the final say, but would be required to consult with the Water Board. Of course, common sense would say you might do that anyway, I suppose."

MacArthur: "Well, I guess if you're saying consult, you can consult, but if you don't have the authority, then they would still have the right to make their own salary."

Chair Sparks: "Right now, you don't recommend, you actually set."

MacArthur: "That's correct. The check for us is the Council. If they do not authorize the funding for our recommendations, then we have a problem. But, the Salary Commission as it stands right now has the final say, as it relates to salary."

Takahashi: "As long as we provide a specific amount, then there's a line item in the budget."

Chair Sparks: "You are setting the salaries for the Liquor Control, Police..."

MacArthur: "Yes, and those are two independent bodies that elect their own respective..."

Takahashi: "I think the only precedent are those two positions."

Chair Sparks: "Are those Commissions happy with that?"

III. OVERVIEW/DISCUSSION OF THE SALARY COMMISSION PROCEDURES

Takahashi: "We haven't heard from the Liquor Commission; we've heard from the director of Liquor Control. With regards to the Police Commission, we heard from Lokelani Lindsey with some recommendations. We invited her to attend and provide testimony, and when she couldn't make it, we invited Howard Tagomori to provide, in writing, to us his observations, and he declined to do so."

MacArthur: "I think the fire chief had asked that we re-consider the salary that was allocated to him. He apparently felt that was not a just compensation for him. But, there was never any indication that their respective Commissions should set their salaries."

Chair Sparks: "That's what I was interested in. There was some discussion with the liquor guys about potential conflicts of interest, where liquor commissioners customarily are there because of their knowledge, which comes from their own businesses. On the other hand, their businesses are regulated by the department, and if they were in a position to set the salaries for the director, the director might be in a bind, in terms of his job of regulating them. I wonder if anything like that could occur with the Water Board."

Takabuki: "Were you asked about the two year term of the Commission, and how you felt about that? Did you ever discuss whether that's appropriate, or should it be like a regular commission with five year terms?"

MacArthur: "There was some discussion about holdovers for continuity, and perhaps having staggered terms, but nothing official. But now that you bring it up, I think that might not be a bad idea, because a lot of time went into it, and for thought process, and having someone on the Salary Commission on an ongoing basis. As long as the Charter doesn't change, you have to have a Salary Commission."

Chair Sparks: "So right now you serve two years and you are pau, and a brand new Commission comes in..."

MacArthur: "Yeah. A brand new slate."

Chair Sparks: "And, they have to learn from scratch. That doesn't sound real sensible."

Takahashi: "Before it was just the mayor and the County Council. Now you've really got to be up to speed on all the nuances of each position that you're evaluating. Otherwise, you're not going to do an effective job, and that's why we're talking about carry-over or staggering, because there's a tremendous amount of research that needs to be done."

III. OVERVIEW/DISCUSSION OF THE SALARY COMMISSION PROCEDURES

Chair Sparks: "Basically you're recommending that we look at extending the term somehow."

MacArthur/Takahashi (simultaneously): "Maybe not extending the term..."

Takabuki: "Maybe having less than a majority serve three year terms or four year terms, or something like that staggering..."

MacArthur: "Yeah."

Takahashi: "Yes, you definitely need some consistency."

MacArthur: "I think that's a very good point."

Chair Sparks: "So how would that work?"

Takabuki: "That two shall be appointed for three year terms, and one appointed for a four year term, or something like that."

Chair Sparks: "You're talking about at least somebody serves more than two years."

MacArthur: "It was a new challenge because we had additional responsibilities, but I think a lot of the legwork has been done, and it's just a matter of updating it, so I don't think it would be a difficult task to fill. There are a lot of people out there that enjoy that responsibility in government."

IV. COMMITTEE A DISCUSSION OF RECOMMENDATIONS FOR AMENDMENTS

Fabrao: "I know that the Water Board has been semi-autonomous; why was it done that way?"

Chair Sparks: "Were you at the meeting that Jon Hirashima? There is a report that you have a copy of that that Commission set it up that way, wrote a special Commission report on water. Why did they do it? In a word or two, they thought that, after studying a lot of water departments, you get more professional, more effective planning and delivery of water services by having it semi-autonomous; so that the water director and the heads of the department aren't under the management of elected officials; so they don't come and go with the changes in elected officials. And, that you could also get higher quality people to run the department if they didn't have to be nervous about the mayor changes, and so forth. And, that's been the experience in a number of departments--the water director will stay fifteen to twenty years, and there'll be a lot of continuity and that sort of thing, and they figured that was important."

IV. COMMITTEE A DISCUSSION (Continued)

Fabrao: "I can see that rationale, but also, why wouldn't it have applied to the Department of Land Use and Codes, or Human Concerns, or any of the other departments? What I'm saying is it's been fractionalized, our government, so what we're trying to do is get it back together. So, that's the reason why the Salary Commission guys are feeling out in the woods, because they don't have the control over that, and what one department does would affect the whole system. I can't understand why they did that."

Chair Sparks: "I think there's a long history throughout America of being suspicious of politics. And, things that are basic, like water, they wanted to isolate from politics - electoral politics. And, to try to make it more efficient and politics free. Personally, I think that's a little shortsighted, but nevertheless, that's the tradition and the feeling, and that's why a lot of the local governments have semi-autonomous water departments."

Fabrao: "A case of issue I'd just mention here; if the Maui County Board of Water Supply, or the Commission, is in charge of Maui County's water, why then is Lanai not under that same jurisdiction?"

Takabuki: "You have a private water system--owned and operated by the company."

Fabrao: "But isn't it not under the regulations of the Department of Health and the State?"

Takabuki: "I'm sure they have to comply with some state regulations, but operation/management's with the company. Except for some small portions, I think. Didn't they have some County lines in there now?"

Chair Sparks: "No."

Takabuki: "Not at all?"

Chair Sparks: "No."

Fabrao: "So we're at the mercy of the company."

Dave DeLeon: "Generally, yeah."

Reyes: "How come during the deliberation of the development of the golf course and the housing, water was an issue..."

Fabrao: "It was an issue, but that issue then became the issue of cutting down pineapple and diverting that water to the hotel industry."

IV. COMMITTEE A DISCUSSION (Continued)

Reyes: "Maybe the County has no control, but they have the control about the decision whether to approve those developments or not."

Fabrao: "Yes, because right now it's like the water at the golf course is over the aquifer, which they said initially wasn't there. And now they're saying it is. And so there's a question of using potable versus non-potable water over the golf course because it might contaminate the aquifer."

Dave DeLeon: "Dolores, also they wanted to treat the water department more like a utility. Jon (Hirashima) made an argument--he said there's a reluctance for the politicians to spend big dollars for upgrading and building, and an independent board is more likely to look at the hard dollar questions."

Fabrao: "The other question that I have regarding water is that I was reading reports from the last meeting, that in the Haiku area there's more developments. But according to what has been stated in the ordinances, without any new water sources being found...The new Manele golf course is on, not necessarily hold, but trying for the permit on that, but it's dependent on whether they can find water to support it. We can't use potable water we have now. So, it's a whole issue that is revolving around water. But the company has made it sound like it's not; that it's the permit process, Lanaians for Sensible Growth, and other things that have caused them to lose money; which is not the case. So if we can make any kinds of improvements in the Charter to address those things that's not in the County General Plan..."

Chair Sparks: "You know the Water Department director was here, and he was recommending the influence of the mayor over the rules that the Water Board passes be removed, instead of left in. The Commission that Jon (Hirashima) was chairman worried about accountability to the elected officials, and they made a requirement that the mayor approve the rules that they pass, and gave the Council some veto authority, if they want to do it within a certain number of days. They are chafing under that much accountability to the mayor."

There are issues on the other side of accountability to the visible elected public officials, and there's also the issue of integrated, efficient planning, because water goes along with a lot of other parts of the infrastructure before communities develop. And, if they are doing their

IV. COMMITTEE A DISCUSSION

Chair Sparks (Continued): own thing, and not paying any attention to what the Public Works, Land Use and Codes, and Department of Planning are doing, then you've got a problem. But they did consider that, and the Commission set it up that way. There's coordinated planning."

Reyes: "And besides, like when they float bonds they use the County's..."

Chair Sparks: "What's the difference - special authority bonds or general revenue bonds?"

Takabuki: "General obligation or special revenue bonds. This last one was special revenue from the Water Department. But I think County..."

Dave DeLeon: "I think their rate came in at almost the same as revenue."

Takabuki: "Right. So they went with general revenue bonds."

Chair Sparks: "Normally, general revenue are cheaper?"

Takabuki: "Normally it's the other way around. The general obligation bonds are because you're pledging the full faith and credibility of the entire County. But with revenue bonds, you're pledging the full faith and credit of the Water Department's ability to raise the revenues to repay the bond."

Chair Sparks: "That was an argument for keeping it under the County. But, it didn't turn out to be that much difference?"

Takabuki: "Not in this case, because the market was more receptive to revenue bonds."

Fabrao: "So right now, the way the Water Department is being run, there's no monies that come out from the County coffers at all."

Takabuki: "No, there are. I think the County is supplementing on certain things, and certain projects, and paying some debt service, and various other things."

Fabrao: "So therefore, that would be the connection then..."

Takabuki: "Not only that. The State gives a lot of money to the Water Department."

Reyes: "I'm sure that plays a bit of a role in getting a good rate, because it's not a totally independent utility."

Fabrao: "I'm wondering if any thought was given to giving

IV. COMMITTEE A DISCUSSION

Fabrao (Continued): it up entirely to a private enterprise."

Chair Sparks: "We're all reminded about Lanai's..."

Takabuki: "The Salary Commission--that section should really be part of another article. Initially it was an amendment to the Charter that was kind of stuck in that Article 3, which is entitled County Council, and since their authority is much more than that, it was noted before that they really should be placed in a different article at some point."

V. NEXT MEETING DATE

Chair Sparks noted that the next meeting date was set for March 19, and should start at 2:00 p.m. He reminded committee members that their obligation is to make recommendations to the full Charter Commission, and noted that "we'd do it much better if we all do our homework first."

VI. ADJOURNMENT

There being no further business, the committee meeting was adjourned at 2:42 p.m.

ACCEPTED:

Allan Sparks, Chairman

Date