

RATE COMMISSION  
CITY AND COUNTY OF HONOLULU

RATE COMMISSION MEETING MINUTES  
Tuesday December 05, 2017

**Commission members present:**

Cheryl D. Soon, Chair  
Dexter Kubota  
Bonny T. Amemiya  
Barbra J. Armentrout  
Keslie Hui

**Excused:**

Ann M. Bouslog

**City Staff present:**

Randall Ishikawa, Deputy Corporation Counsel (COR)  
Wes Frysztacki, Director of Transportation Services (DTS)  
Chris Ovitt, Administrative Services Officer (DTS)  
Scott Ishiyama, Planner (DTS)  
Eric Stoetzer, Planner (DTS)

**Guests present:**

Rose Pou  
Justin Gruenstein, Executive Assistant (CCSR)  
Rocky Mould, Planner (CCSR)  
Annette Tashiro of Access to Independence

**1. Call to Order by Chair**

Cheryl D. Soon, Chair thanked Chris Ovitt for his assistance to the Commission. Chair Soon indicated that one final commission vacancy still exists. Chair Soon called the meeting to order at 2:40 p.m. in the Mission Memorial Building Hearings Room.

**4. Minutes from the November 07, 2017 meeting**

A motion was made by Commissioner Armentrout to defer the minutes to the next meeting. The motion was seconded by Commissioner Hui. Chair Soon called for the question and the motion was unanimously approved. Draft meeting minutes will be posted on the Commission website to meet the 30 day requirement in case of a HRS 92F request.

**2. Roll Call**

Taking of the roll of committee members present at meeting was conducted.

**3. Public Testimony on All Agenda Items**

The public was afforded an opportunity to provide testimony, no testimony was received.

## **5. Internal Management Policies of the Rate Commission**

Discussion was held as to the draft Internal Management Policies submitted by Counsel at the November 7, 2017 meeting. The Commission addressed proposed changes to the draft Internal Management Policies as follows:

With regard to the creation of a Vice-Chair position, Counsel explained that the creation of the position, method of filling the position, and the term needed to be addressed. Chair Soon asked the Commission if the position should be elected or appointed. Commissioner Kubota proposed that the Vice-Chair be appointed. Commissioner Amemiya proposed that the Vice Chair's term be for four (4) years. Commissioner Hui proposed that the Vice-Chair serve for a two (2) year term and that the Vice-Chair appointment also be confirmed by the Commission. A motion was made by Commissioner Armentrout to delete the bracketed portion of the Draft internal management policies Internal Management Policy VII. OFFICERS (B) to indicate "the Chair of the Rate Commission shall appoint a Vice-Chair for a term of up to two (2) years subject to a confirmation vote by a majority of the Rate Commission before going into effect". The motion was seconded by Commissioner Amemiya. Chair Soon called for the question and the motion was unanimously approved.

Chair Soon proposed an additional amendment to the Internal Management Policy VIII. MEETINGS by deleting the bracketed portion of (A) referencing how the Commission would handle conflicts between the Charter and Internal Management Policies. Commissioner Hui proposed, adding a new (C) setting a three (3) minute limit on testimony per agenda item. Commissioner Armentrout proposed adding a new (D) allowing for the Commission to accept written and oral testimony.

A motion was made by Commissioner Hui "to adopt the modified internal management policies during the course of the meeting subject to review in final form by the Commission at the next scheduled meeting including the amendments made." The motion was seconded by Commissioner Armentrout. Chair Soon called for the question and the motion was unanimously approved.

## **6. Selection of the Vice Chair of the Rate Commission**

Chair Soon asked Commissioner Hui if he would be willing to serve as the Vice-Chair and he agreed. A motion was made by Commissioner Armentrout that Commissioner Hui be the Vice-Chair of the Commission. The motion was seconded by Commissioner Amemiya. Chair Soon called for the question and the motion was unanimously approved.

## **7. Responsibilities of the Rate Commission**

Wes Fryszacki, Director of Transportation Services (DTS) provided an overview of current rate issues at the request of the Commission from the November 7, 2017 meeting. Reference: "DEPARTMENT OF TRANSPORTATION SERVICES, CITY AND COUNTY OF HONOLULU, OVERVIEW OF CURRENT RATE ISSUES, A Presentation to the Rate Commission handout, By Wes Fryszacki, Director, November 7, 2017". The Director's request is to have the Rate Commission prioritize work on Public transportation fares and the re-submittal of Bill 28 previously containing four step increases in three years connected to the Fiscal Year 2018 budget and revised fares are expected in time for the City Administrations Fiscal Year 2019 budget submittal to City council in March 2018 for adoption in June 2018 and

execution as early as July 2018. Current policy by City Council Resolution involves a 27-33% Fare box recovery ratio minimum and maximum. At this time in 2017, the latest numbers from Oahu Transit Services show the Farebox return ratio is under the 27% minimum. The Commission wishes to be familiar with the material enough to make a reasoned recommendation and have public testimony as close to March 1, 2018 as possible. The Commission requests analytical data ahead of the next meeting so it can better understand how the fare structure relates to Rail. The commission requests in advance of the next meeting: 1) Audit of the City's Paratransit Service, 2) Paratransit Growth Management Study, 3) Committee Reports and Testimony for Bill 28 (2017). Chris Ovitt responded to a question from Chair Soon saying the Commission Budget for Fiscal Year 2018 has \$1,000 for rental of space, \$25 for postage, \$75 for office supplies. However the request for one dedicated Commission Secretary staff and \$25,000 for an Olelo contract for video recording and closed captioning was not approved. In Fiscal Year 2019, again \$1,000 for rental of space, \$25 for postage, \$75 for office supplies and a dedicated Commission Secretary staff was requested and pending further evaluation by the Budget and Fiscal Services Department (BFS) and Managing Director. One concern of the Administration in the prior request before the formulation of the Rate Commission was the number of meetings per year. DTS estimated 12 meetings or more per year more while BFS estimated less.

**8. Rate Commission Meeting Dates for 2018**

The following meeting dates in 2018 have been set for Commission use of the Mission Memorial Building Hearings Room located at 550 South King Street.

- January 08 – Monday at 9:00 to 10:30 a.m.
- February 06 – Tuesday at 2:30 to 4:00 p.m.
- March 06 – Tuesday at 2:30 to 4:00 p.m.
- April 10 – Tuesday at 2:30 to 4:00 p.m.
- May 08 – Tuesday at 2:30 to 4:00 p.m.
- June 05 – Tuesday at 2:30 to 4:00 p.m.

**9. Adjournment.**

Meeting adjourned at 4:11 p.m.

APPROVED:

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Cheryl D. Soon, Ph.D. FAICP, Chair

Date