

**COUNTY OF HAWAI`I
SALARY COMMISSION
February 21, 2007**

MINUTES

Chair Mann called the meeting to order at 10:06 a.m. in the Conference Room of the Department of Human Resources, 101 Pauahi Street, Suite 2, Hilo, Hawai`i.

Present:

**Mr. Paul Mann, Chair
Mr. Searle W. Grace, Vice Chair
Mr. Dwayne Mukai, Secretary
Mr. Tsukasa Ishii, Member
Mr. Newton Inouye, Member**

Others present:

**Mr. Gerald Takase, Deputy Corporation Counsel
Mr. Michael R. Ben, Director of Personnel
Ms. Joney Nitahara, Personnel Program Specialist
Ms. Velma Y. Menezes, Secretary-Reporter**

MINUTES OF JANUARY 10, 2007

MOTION: Mr. Mukai moved that the minutes of January 10, 2007 be approved as circulated. The motion was seconded by Mr. Inouye and unanimously carried.

COMMUNICATIONS

Communication No. 07-02, dated January 29, 2007, from Harry Kim, Mayor, regarding pay increases approved by the Salary Commission on January 10, 2007.

MOTION: Mr. Mukai moved that Communication No. 07-02 be received and filed. The motion was seconded by Mr. Inouye and unanimously carried.

UNFINISHED BUSINESS

B) Review of pay rate for Director of Public Works

Item B was moved up in the agenda, as the Director of Public Works was in attendance.

At the Chair's request for information, Mr. Bruce McClure, Director of Public Works, stated that he has two excluded management staff that are at the maximum salary. With Mr. McClure's new raise, they don't make more than he does, but their base pay is currently higher than the Deputy's.

Chair Mann voiced his concern that they're always going to find someone in the County who makes more than the boss, and he wants to be cautious about using the Salary Commission as a band-aid or a fix-all every time somebody makes more money than the boss.

Mr. Takase noted that those two employees are currently making about \$5,000 more than the Deputy.

Mr. Ben explained that the primary reason this issue came up is because when the Salary Commission first enacted the five-step salary schedule for executives two or three years ago, the Commission recognized that certain positions, primarily the Police Chief, Fire Chief, and Director of Public Works, had inversion problems in their departments and, therefore, the Commission moved them above the minimum step. They were placed on Step C because of inversion problems.

The last action that the Commission took in January 2007 responded only to Police and Fire, again addressing inversion problems. While the adjustments made to the salary schedule actually addressed the inversion problems, the Commission nevertheless moved those two positions an additional step, so the concern raised now is what distinguishes that situation from the Commission's original concept when the Commission had considered the Public Works Director in the same category as Police and Fire in its action two or three years prior. In the Commission's subsequent action, the Commission took up only Fire and Police, but there was no justification as to why the Public Works Director was left out, when the original concept was these departments have inversion problems and this is the way to address it, by moving them an additional step. That is why this issue is before the Commission today for a decision as to its intent.

Mr. Mukai stated that he, like most of the other Commissioners, were unaware of the above, as it had occurred before their time.

In response to Mr. Inouye's question on whether those two individuals in his department get overtime, Mr. McClure responded that they do get overtime pay. The amount depends on the workload. If they attend public meetings at night, they get overtime for that as well.

Ms. Nitahara noted that Mr. McClure is currently at A-18B, while his Deputy is at A-17A. The Police Chief and Fire Chief are currently at A-18E.

MOTION: Mr. Inouye moved to increase the Deputy Director of Public Works' salary to SR-17B and the Director of Public

Works' salary to A-18E. The motion was seconded by Mr. Mukai.

Discussion:

Mr. Mukai noted that that would place the Director of Public Works at the same level as the Police and Fire Chiefs.

Mr. Inouye stated that he wanted to see the Deputy make at least 5% more than the highest rank-and-file member that they oversee, and then he wanted to see the Director get at least 5% more than the Deputy. That's his reason for coming in with the above proposal.

MOTION: Mr. Inouye moved to amend the above motion to include the above salary increases be retroactive to January 1, 2007. The motion was seconded by Mr. Mukai and unanimously carried.

The Commission then voted on the motion as amended (increase the Deputy Director of Public Works' salary to SR-17B and the Director of Public Works' salary to A-18E retroactive to January 1, 2007). The motion carried unanimously.

Mr. Mukai noted that the Director and Deputy Director of Public Works, like the Fire and Police Chiefs and their Deputies, are also basically on call 24/7, so although they are salaried and don't get overtime, if there's a crisis, they fall into the same category as what was provided in testimonies with regards to the Fire and Police Chiefs.

A) Review of salary schedule for commission-appointed department heads.

Mr. Ben stated that they now need to clarify what has been occurring because they created a schedule that they said was for commission-appointed executives and then they had a schedule that was for the rest of the executives. The rest of the executives had a five-step schedule; commission-appointed executives and the other executives had a ten-step schedule. When the Commission had its meeting on January 10, 2007, it really didn't address who the schedules specifically applied to. Because it wasn't specific, if one read the history of it, one wouldn't know exactly what was applicable and what was not.

The intent of the Commission at the January meeting was to give everyone a raise pursuant to the schedule that was adopted; yet, technically there are two different schedules. Now the Commission needs to clarify exactly what is in existence so that the record reflects it and the Commission won't have to figure it out later by looking back at all the history.

MOTION: Mr. Mukai moved that the salary schedule, adopted by the Salary Commission on January 10, 2007, shall be applicable to all County executives for which the Salary

Commission is authorized to adjust, excluding County Council members, provided steps F through J of the salary schedule shall be applicable only to commission-appointed department heads and deputies; movement along the various steps of the schedule shall be in accordance with the pay plan established by the Commission on March 16, 2004 for County executives and on November 29, 2006 for commission-appointed executives. The motion was seconded by Mr. Inouye.

Discussion:

Mr. Ben stated that with that motion, it's clear that there's one salary schedule, and how the Commission moves on it is dictated by the pay plans that were adopted previously.

The motion was voted on and carried unanimously.

NEW BUSINESS

Elect Chair, Vice Chair, and Secretary for Calendar Year 2007

It was noted that the Commission's rules state that an election shall be held annually. There's no term limit indicated in the rules.

Mr. Inouye noted that in some committees he belongs to, the secretary will read the correspondence.

Mr. Mukai stated that the secretary may also review the minutes for accuracy before it's circulated to everyone.

MOTION: Mr. Mukai nominated Mr. Grace as Chair, Mr. Inouye as Vice Chair, and Mr. Mann as Secretary. The motion was seconded by Mr. Mann.

MOTION: Mr. Mukai moved that nominations be closed. The motion was seconded by Mr. Inouye and both motions carried unanimously.

Mr. Grace was elected Chair, Mr. Inouye Vice Chair, and Mr. Mann Secretary for calendar year 2007.

NEXT MEETING DATE

The Commission scheduled its next meeting for Wednesday, March 21, 2007, at 10:00 a.m., at a place to be determined. It was noted that if there's no need for a meeting, the meeting will be postponed.

Mr. Mukai went on the record to thank Mr. Mann for serving as Chair of the Salary Commission for all these years and also for enduring the recent decision that they had to make, which was a very tough one. He thanked Mr. Mann for his wisdom, leadership, and guidance as Chair for the Salary Commission.

ADJOURNMENT

The meeting adjourned at 10:48 a.m.

Respectfully submitted,

Searle W. Grace, Chair