

COUNTY OF HAWAII
SALARY COMMISSION
March 21, 2003

MINUTES

Chair Sanborn called the meeting to order at 1:31 p.m. in the Conference Room of the Department of Liquor Control, 101 Aupuni Street, Suite 230, Hilo, Hawaii.

Present:

Mr. J. William Sanborn, Chair
Mr. Joel Nye, Secretary
Mr. Glenn Hara, Member
Mr. Tsukasa Ishii, Member
Mr. Paul Mann, Member
Mr. Richard Rego, Member

Excused:

Mr. Jason Hashimoto, Member
Mr. Gerald Kita, Member
Mr. Yoshiichi "Joe" Tanaka, Member

Others present:

Mr. Michael R. Ben, Director of Personnel
Mr. Lincoln Ashida, Corporation Counsel
Ms. Joney Nitahara, Personnel Program Specialist
Ms. Velma Y. Menezes, Secretary-Reporter

STATEMENTS FROM THE PUBLIC

The Commission heard testimonies from Fire Captain Curtis Matsui, HFFA Hawaii Division Chair Ty Medeiros, and Volcano Chief Volunteer Ron Sanford, all supporting a pay adjustment for the Fire Chief and Deputy Fire Chief.

APPROVAL OF MINUTES OF FEBRUARY 21, 2003

MOTION: Mr. Mann moved that the minutes of February 21, 2003 be approved as circulated. The motion was seconded by Mr. Nye and unanimously carried.

COMMUNICATIONS

A) Communication No. 03-06, dated February 14, 2003, copy of a memorandum to Mayor, from County Clerk, regarding the appointments of Tsukasa Ishii, Richard P. Rego, and Paul W. Mann to the County of Hawaii Salary Commission.

Communication No. 03-06 was received and filed.

B) Communication No. 03-07, dated February 27, 2003, from Lester J. Ishado, Deputy Corporation Counsel, transmitting the Hawaii County Cost of Government Commission Report.

Communication No. 03-07 was received and filed.

C) Communication No. 03-08, dated February 26, 2003, from Neil Brazier, Chair, Hawaii County Fire Commission, regarding Fire Department Administrator's Compensation.

Communication No. 03-08 was received and filed.

D) Communication No. 03-09, received February 20, 2003, from Glenn S. Hara, submitting a proposed salary schedule on adjusting salaries under the Salary Commission's jurisdiction.

Communication No. 03-09 was received and filed.

E) Communication No. 03-10, dated March 12, 2003, from Lawrence K. Mahuna, Police Chief, regarding the standard of conduct pay for Police Chief and Deputy Police Chief.

Communication No. 03-10 was received and filed.

UNFINISHED BUSINESS

A) Election of Vice Chair for Calendar Year 2003

Nominations were open for Vice Chair.

MOTION: Mr. Mann moved to nominate Mr. Kita as Vice Chair. The motion was seconded by Mr. Hara.

MOTION: Mr. Nye moved to nominate Mr. Rego as Vice Chair.

The motion died for lack of a second.

MOTION: Mr. Hara moved that nominations be closed.

Discussion:

Mr. Nye noted that Mr. Kita has had to leave meetings early because of work responsibilities.

The motion was voted on and failed.

MOTION: Mr. Hara moved that the election of Vice Chair be deferred to the Commission's next meeting. The motion was seconded by Mr. Nye and unanimously carried.

B) Review of executive salaries for the purpose of establishing appropriate salaries for County executives pursuant to Section 13-28 of the County Charter.

Chair Sanborn reminded the Commission of the Charter provision that charges the Salary Commission with the responsibility of reviewing and compensating all County elected officials and appointed directors and deputy directors so that their total salaries and benefits have a reasonable relationship to compensation in the public and private sectors. The Salary Commission shall consult with those boards and commissions which have appointing authority for the department head.

1) Fire Department

Mr. Hara requested that discussion be opened on Communication No. 03-09 first. Mr. Hara stated that in considering a tiered system, he had foreseen problems that the Commission would encounter if they did it position by position trying to create a tier. Therefore, what he basically did in his proposed salary schedule was to look at what the County had before, which was a salary schedule and range, and make a bridge from that into something that could be useful to the Commission and also be more flexible. The basis of the old salary schedule was a 5% differential between steps A-7 to A-19; and between A-7 and A-8 there was a 5% increase. It also went from A, B, and C, and the 5% split was divided so that that 5% was spread over A, B and C. However, for some reason A-7C was equal to A-8A. There was an equality of the last step on the low grade to the first step in the higher grade. Mr. Hara didn't think that was right, so he removed it and came up with a five-step schedule with grades A-7 to 19. He pegged the Police Chief's salary at A-18C in terms of developing the schedule. He noted that once that number is plugged in using the factor schedule on the left, all the numbers pop out if a spreadsheet is used.

Mr. Hara added that if a framework like this is adopted where the numbers are there, then they can start building the tiers (pegging positions). Without this kind of numerical framework, they're stuck without a point of reference. Once they have this framework, they can develop the tiers and get comments from the departments on their proposals.

Mr. Mann expressed his feeling that the Police Chief and Fire Chief are about the same in terms of the responsibilities that they have. They're both charged with

enormous responsibility. They both develop programs for public safety, and he doesn't think that can be compromised. There's also an enormous amount of training that goes into one's career to even qualify to be a Police or Fire Chief or Deputy, and for that reason, he doesn't think there should be a big difference between the compensation.

Mr. Rego noted that when he served on the Cost of Government Committee, they did an in depth evaluation of the Police and Fire departments. They found that those two departments are equal and recommended one commission for both departments instead of having two separate commissions.

MOTION: Mr. Hara moved that the Fire Chief's salary and the Deputy Fire Chief's salary be equal to that of the Police Chief and Deputy Police Chief. The motion was seconded by Mr. Mann.

Discussion:

Mr. Hara noted that the amount of the proposed salary is \$91,599 and \$87,237, respectively.

The Commission discussed the issue of an effective date to the motion.

Mr. Sanborn stated that counsel had informed him that if a motion passes without an effective date, in effect it has an effective date of the time the motion is passed.

MOTION: Mr. Hara moved to amend the motion to increase the salaries of the Fire Chief and Deputy Fire Chief to \$91,599 and \$87,237, respectively, effective May 1, 2003. The motion was seconded by Mr. Mann and carried with Mr. Mann, Mr. Ishii, Mr. Rego, Mr. Hara, and Mr. Sanborn voting aye. Mr. Nye abstained from voting.

B) Communication No. 03-10, dated March 12, 2003, from Lawrence K. Mahuna, Police Chief, regarding the standard of conduct pay for Police Chief and Deputy Police Chief.

MOTION: Mr. Hara moved that the Police Chief's and Deputy Police Chief's compensation include a standard of conduct pay of \$85 a month. The motion was seconded by Mr. Mann.

Discussion:

In response to Mr. Rego's request, Chief Mahuna explained what the standard of conduct entails.

In response to a question on whether the standard of conduct pay had always been given to the Police Chief, Mr. Ben stated that it has never historically been given to the Police Chief.

The Commission voted on the motion. Mr. Mann, Mr. Ishii, Mr. Hara, and Mr. Rego voted aye. Mr. Sanborn voted no, and Mr. Nye abstained. The motion failed.

MOTION: Mr. Hara moved to defer the matter to the next meeting. The motion was seconded by Mr. Rego.

Discussion:

Mr. Nye noted the motion he made at the last meeting to table this issue for awhile, because they need to move on.

Mr. Nye's comment was duly noted.

The motion was voted on and passed with Mr. Mann, Mr. Ishii, Mr. Hara, Mr. Rego, and Mr. Sanborn voting aye. Mr. Nye abstained from voting.

Chair Sanborn reopened discussion of Mr. Hara's proposed salary schedule (Communication No. 03-09). The Commission discussed the mechanics of the proposal as a framework for pay raises.

Mr. Hara noted that another reason he developed something like this was, for example, the entry level for the Chief would be A-18A, and the Salary Commission could seek recommendations from the other commissions for increases along the way up to E. It allows for some flexibility.

Mr. Ben emphasized that there are department heads who are career executives, who haven't been recognized as career-growth executives. When new department heads come in, they come in at the same rate as the career executives. There are no incentives for career executives. Besides himself, there are the Police Chief, Fire Chief, and Director of Liquor Control who are appointed by commissions.

Chair Sanborn requested that the Commission members review the proposal and have recommendations ready for the next meeting.

Mr. Hara suggested going down the list, with each Commissioner making up his mind on where to place each executive.

Mr. Ben explained that pay grades recognize the differences between jobs. So if the Commission is going to create tiers, for example saying the Police Chief is worth more than the Director of Personnel or Corporation Counsel or whomever, that's the pay grades. Set the salary schedule according to whatever the market conditions are, whatever the Commission wants to consider, what pay raises are being provided below. The steps, or horizontal movement, is usually there to recognize growth on the job. It's not to recognize changes in market conditions and cost of living. It's there to recognize that when an executive gets on the job, the

executive grows on the job. When there are wholesale changes to be made because no Police Chief makes \$50,000 a year for instance, then change the whole schedule.

Chair Sanborn stated that this is a good framework. The Commission needs to look at lows and highs in the framework, the spread between the steps, discuss differentials between departments and where to start anybody that comes in with the new regime.

MOTION: Mr. Hara moved that members come to the next meeting with drafts of this and that a discussion be held on this matter. The motion was seconded by Mr. Rego and unanimously carried.

2) Assistant Corporation Counsel

MOTION: Mr. Nye moved to defer this matter to another meeting. The motion was seconded by Mr. Hara and unanimously carried.

3) Deputy Managing Director

MOTION: Mr. Hara moved to defer the matter. The motion was seconded by Mr. Nye and unanimously carried.

MOTION: Mr. Nye moved to remove items 2 and 3 from the agenda and place them under the general consideration of what the Commission is going to be doing with everybody else. The motion was seconded by Mr. Mann and unanimously carried.

NEW BUSINESS

A) Review of evaluation factors

See discussion above.

NEXT MEETING DATE

The Commission scheduled its next meeting for Friday, April 25, 2003, at 1:30 p.m. at the conference room of the Department of Liquor Control.

ADJOURNMENT

The meeting adjourned at 3:38 p.m.

Respectfully submitted,

**J. William Sanborn
Chair**

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