

**COUNTY OF HAWAII  
SALARY COMMISSION  
May 11, 2006**

**MINUTES**

**Chair Mann called the meeting to order at 10:04 a.m. in the Conference Room of the Department of Civil Service, 101 Pauahi Street, Suite 2, Hilo, Hawaii.**

**Present:**

**Mr. Paul Mann, Chair  
Mr. Jeffrey Judd, Vice Chair  
Mr. Tsukasa Ishii, Member  
Mr. Searle Grace, Member  
Mr. Dwayne Mukai, 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**

**ADDENDUM TO AGENDA**

**A communication dated April 10, 2006 was received from Myles Y. Miyasato, Chair, Cost of Government Commission, requesting input on County organizational and operational matters.**

**MOTION: Mr. Ishii moved to amend the agenda to include the above communication. The motion was seconded by Vice Chair Judd and unanimously carried.**

**The communication was assigned number 06-03.**

**Before going further, Chair Mann welcomed the three new commissioners on board. He stated that he appreciated their stepping forward to serve on the Commission, as it's been difficult to find people to serve. It does take a certain amount of dedication in terms of donating time on behalf of the people in the County.**

**Chair Mann noted that the Commission had not met since December 2004, and there were several reasons for that. One was that the Commission didn't have a quorum; the other was that Mr. Mann had been**

elected chair and shortly thereafter suffered a very serious health challenge. He apologized to those people who were sitting in the wings waiting for something to happen.

In the past, however, they did conduct quite a bit of business in terms of addressing the salaries of the Police Commission and the Fire Commission. They structured a pay schedule into a reasonable formula and brought the numbers up to what was commensurate to what the jobs were. They also took care of the County Council people, and they're now enjoying a fair remuneration for their efforts that they didn't have before.

The area the Commission has to concentrate on now are the commission-appointed departments heads in Fire, Police, Civil Service, and Liquor Control. These people have been neglected for quite some time, and the Commission is way behind schedule in this area.

At the last meeting, the Commission did create a Tier Review Committee of three people—Mr. Judd, Mr. Joe Tanaka, and Mr. Ishii—and that is where the Commission left off.

#### MINUTES OF DECEMBER 17, 2004

**MOTION:** Vice Chair Judd moved that the minutes of December 17, 2004 be approved as circulated. The motion was seconded by Mr. Ishii and unanimously carried.

#### COMMUNICATIONS

A) Communication No. 05-01, dated January 28, 2005, from John M. Bertsch, Chair, Police Commission, requesting clarification on “whether a system for recognizing longevity should be developed,” and the Salary Commission’s March 18, 2005 letter responding to Chair Bertsch.

B) Communication No. 05-02, dated April 22, 2005, from John M. Bertsch, Chair, Police Commission, submitting the job descriptions of the Police Chief and Deputy Police Chief with other supporting compensation information.

C) Communication No. 05-03, dated July 5, 2005, from John M. Bertsch, Chair, Police Commission, regarding its proposal to adjust the salaries of the Police Chief and Deputy Police Chief, and the Salary Commission’s July 21, 2005 letter responding to Chair Bertsch.

Chair Mann noted that because the Commission is charged with the responsibility of coming up with salary structures, in a lot of cases for jobs they know little or nothing about, they need to become informed so that they can make judgments that are adequate to the jobs and responsibilities. Therefore, they had asked the chair of these commissions for information.

The Fire Department had broken down what their goals were into “here’s where we are now; here’s what we’re going to do in six months; here’s where we’re going to be in a year,” and they set some parameters and goals that they expected the Fire Chief to reach and work toward. This would determine whether it would justify the increases in salary that they will probably be asking for in the future. They haven’t given the Commission any numbers yet, but it should be coming.

The above three communications are letters to this Commission, along with the Commission’s responses, telling us they’re interested in meeting with the Tier Review Committee. The Tier Review Committee would talk to these people then report back to the full Commission.

**MOTION:** Mr. Mukai moved that Communication No. 05-01 be received and filed. The motion was seconded by Mr. Inouye and unanimously carried.

**MOTION:** Mr. Mukai moved that Communication No. 05-02 be received and filed. The motion was seconded by Mr. Inouye and unanimously carried.

**MOTION:** Mr. Mukai moved that Communication No. 05-03 be received and filed. The motion was seconded by Mr. Inouye and unanimously carried.

**D) Communication No. 05-04, dated January 31, 2005, from Lincoln S. T. Ashida, Corporation Counsel, regarding a sunshine law workshop in West Hawaii on March 22, 2005.**

**E) Communication No. 05-05, dated April 13, 2005, from Lincoln S. T. Ashida, Corporation Counsel, thanking the Salary Commission for implementing recent salary increases.**

**F) Communication No. 05-06, dated May 4, 2005, from Joseph K. Kamelamela, Deputy Corporation Counsel, regarding prompt notification of service of complaint.**

**G) Communication No. 05-07, dated July 22, 2005, from Gerald M. Kita, submitting his resignation from the Hawai`i County Salary Commission**

**H) Communication No. 05-08, dated August 5, 2005, from Diane Noda, Deputy Corporation Counsel, regarding a friendly reminder about the address numbers on your home mailbox.**

**I) Communication No. 05-09, dated October 4, 2005, from Lincoln S. T. Ashida, Corporation Counsel, transmitting classified material from County News (Washington, D.C.).**

**J) Communication No. 05-10, dated October 18, 2005, from Patricia K. O'Toole and Diane A. Noda, Deputies Corporation Counsel, regarding a Contested Case Hearings 101 training session.**

**K) Communication No. 05-11, dated December 28, 2005, from Lincoln S. T. Ashida, Corporation Counsel, regarding attorney/secretary assignments for the Office of the Corporation Counsel effective January 1, 2006.**

**L) Communication No. 06-01, dated February 6, 2006, from Lincoln S. T. Ashida, Corporation Counsel, regarding the Freedom of Information compliance audit**

**M) Communication No. 06-02, dated April 26, 2006, from Lincoln S. T. Ashida, Corporation Counsel, regarding a reminder on campaign restrictions for County officials and employees.**

**Communication Nos. 05-04 through 06-02 were taken up simultaneously as similar actions were required.**

**MOTION: Mr. Mukai moved that Communication Nos. 05-04 to 06-02 be received and filed. The motion was seconded by Mr. Grace and unanimously carried.**

### **UNFINISHED BUSINESS**

**Chair Mann noted that one item under Unfinished Business is an update on the Tier Review Committee. Mr. Tanaka, who was a member of the Committee, is no longer on the Commission, and a replacement needs to be made.**

**Mr. Ben observed that the agenda would have to be amended to include a discussion of the above. Even then, Mr. Ben advised, the Commission cannot discuss substantive matters because technically the public did not have notice.**

**Upon reviewing the agenda, Mr. Takase advised that the agenda be amended to include the item under 7B (New Business, Update on Current Status of Salary Reviews).**

**MOTION: Mr. Mukai moved that the agenda be amended to include the appointment of the Tier Review Committee under Item 7B subcategory 1. The motion was seconded by Mr. Inouye and unanimously carried.**

### **NEW BUSINESS**

**B) Update on Current Status of Salary Reviews**

**1) Appointment of Tier Review Committee**

**Chair Mann asked for a volunteer to serve on the Tier Review Committee with Mr. Judd and Mr. Ishii. Mr. Joe Tanaka's term had expired on December 31, 2005, creating a vacancy on the Tier Review Committee. Mr. Inouye volunteered and was appointed to the Committee.**

**Chair Mann asked that Ms. Menezes provide Mr. Inouye with copies of the communications from the chairs of the Police, Fire, Liquor, and Civil Service Commissions, that the TRC set up interviews, and report back to the full Commission.**

**Mr. Inouye suggested that someone be selected to make sure things move, because from what he understood, there was no leadership so no one made the move to meet.**

**Ms. Menezes explained that that was not it. Mr. Tanaka wanted Lowell Kalapa to meet with the entire Commission regarding cost of living information before proceeding. However, they could not get the Commission together, either because there weren't enough members or they couldn't get a quorum.**

**Mr. Takase noted that Mr. Kalapa runs the Tax Foundation of Hawaii.**

**It was decided that the Committee would meet first then decide if they should meet with Mr. Kalapa.**

**Mr. Takase explained that the Salary Commission was given the authority from a 2000 Charter change to set the salaries of department heads. When they started to meet and go through it, they found that the department heads were all lagging behind their civil service employees in pay, so the first push was to catch up, which they did. The second part was to look forward to a system to keep pace, and that's why Mr. Tanaka had wanted Mr. Kalapa to give the Commission an idea of what the cost of living is. With the delay now, they're actually falling behind again. It would be good at some point to map out a plan. The Commission was looking to try and tie the salaries to something so that it would stay fair, but they weren't able to get to that point.**

**Chair Mann stated that the salaries that the Commission already worked on, particularly Fire and Police, are due again to be reviewed. The priority should be to review the salaries of the four commission-appointed department heads, as these four should be addressed right away. Chair Mann offered his assistance to the Tier Review Committee. He recommended that the Committee set a date for its next meeting and decide whom they want to meet with.**

**Mr. Ben noted that through the Commission's work, all the executives are all paid on one schedule, but the issue for the Committee to look at is that the commission-appointed executives are really what are called career executives. They don't change with the administration. Mr. Ben himself has been an HR manager for 18 years and is a career executive. The Police Chief**

is a career executive. Career executives don't change with the mayor. Being that what it is, the question for the Committee to ask is whether there should be a separate pay structure to recognize these executives who stay for a long duration of time. The Committee was supposed to look at the issue of whether a separate pay structure should be established to recognize the unique position of these executives. Currently, they're all on a salary schedule; the question is whether the Commission should spin out these particular career executives onto a different schedule.

Chair Mann added that these executives are really very dedicated people who are here for the long term. Their whole approach and attitude towards the job and their position is probably a little different than other people. They're not going anywhere, so he believes they have to consider whether there should be a different salary for them.

Mr. Takase distributed updated salary information that he had asked for from several departments showing the department heads' salaries versus their excluded managerial employees' salaries. As illustrated in the Police Department's chart, the Police Chief and Deputy are behind again. The chart shows that the Assistant Chiefs, all the way down to the Majors, will be passing the Deputy Chief.

Mr. Ben reminded the Commission that in their discussion of excluded managers' salaries, they should be careful about identifying the positions and exact salaries paid, because that's confidential information. A lot of these classes are one-position classes, so if it's noted that, for example, the Budget Administrator makes a certain amount, it actually reveals what Gary Takemura's salary is; and that's illegal. The Commission can speak in generalities but must be careful about looking at specific salaries. This is a public meeting, where a member of the public is present; and it all goes on the record too.

Mr. Takase noted that the Commission could review salaries in an executive session.

Mr. Takase also noted that Mr. Glenn Matsuda, representing the Fire Commission, was present at the meeting.

Mr. Matsuda stated that he is a commissioner for the Fire Commission and is in charge of the budget. He is currently preparing a comparison of salaries between the rank and file and the chiefs. He is in the process of devising a vehicle to decide how they're going to compare salaries. There are people in the Fire Department who have been there for 25 years, some for 15 years, and so forth. Obviously, the employees with 25 years are going to have higher pay and maybe even higher than the Chief himself; and Mr. Matsuda needs to determine what the formula and appropriate comparisons should be, whether it be geographically by the number of fire stations, by the number of personnel, and so forth, and also comparing it with the State. He also has to provide a budget showing what the administrative costs are. That is why he decided to attend the Commission's meeting today and absorb the discussions.

**Mr. Matsuda stated that if he could be included with Mr. Ishii, Mr. Inouye, and Mr. Judd, he would appreciate it; however, if that's not allowed, he understands. After he gets the data he needs and the comparisons, he will be coming to the Salary Commission for a review.**

**Mr. Takase noted that in past meetings, the Committee did meet with all of the department heads and commissions to get input from them.**

**Chair Mann recalled that the Commission had sent out questionnaires to all four commissions requesting information.**

**Mr. Takase suggested that those letters be resent now that the Committee is starting up again.**

**Mr. Judd disclosed to the Commission that he is a former police officer of seven years with the County of Hawaii and used to ride patrol with Chief Mahuna. He is close personal friends with both the Police Chief and Deputy Police Chief. He left the Police Department to become an agent with the Federal government. Mr. Judd asked whether this is a conflict of interest.**

**Chair Mann stated that the Commission evaluates what the job is worth, not the performance of the individual. Mr. Takase agreed.**

**Mr. Takase stated that as Mr. Judd has disclosed the information, that's fair enough. The Commission is still looking at positions and ranges.**

**Mr. Judd further disclosed that although the Police Chief and Deputy Police Chief know he's on the Commission, there are never any discussions on the topic.**

**Mr. Takase stated that he doesn't think it's a problem, but if at some point Mr. Judd feels he doesn't want to be involved in this, he can let the Commission know.**

**Mr. Ishii asked Ms. Menezes if there are records of the Committee meetings. Ms. Menezes answered in the affirmative and stated that she still has the Committee's folders and will be distributing them when they meet again.**

**Mr. Inouye volunteered to assist in keeping things moving.**

**Chair Mann asked that the Committee give an informational report at the Commission's next meeting.**

**Mr. Mukai recalled reading in the minutes that other Commission members were invited to sit in at the Committee meetings. Chair Mann confirmed it and stated that it was in fact encouraged.**

Because the matter of disclosure was brought up, Mr. Mukai inquired whether going to school with the department heads or being related to them affects anything. Being that he's a new member, he wants to bring it up so there's a record at least.

Mr. Takase reiterated that it shouldn't matter, because the Commission is really looking at the position and not the person per se.

Chair Mann noted that the Commission will want to discuss the current pay schedule at the next meeting, and everybody should be prepared to talk about that. Ms. Menezes will distribute copies of the schedule for the next meeting. Chair Mann requested that the current salaries for these individuals also be obtained.

Mr. Takase stated that the Committee needs to publish in the minutes when and where they're going to meet. The Committee cannot take any official action, as it's more of a working group. At the last go around, the Commission found that the establishment of a committee, comprised of a few individuals, could assemble and work through the process much quicker than the entire Commission could, which is why the Commission went to a working committee type of format.

Mr. Ben clarified that the salaries of department heads and deputies, which is what the Salary Commission is responsible for, can be discussed, as they're not under the same privacy laws as civil service employees.

Mr. Takase confirmed that only civil service employees' salaries cannot be disclosed. What can be disclosed, however, are the ranges of their salaries. As the Salary Commission, however, Mr. Takase would say that the Commission can have access to individual salaries, but that should be disclosed in an executive session. It is not disclosable to the public. By law, civil service employees are entitled to protections, and one of the protections is their individual salaries.

Mr. Ben added that the law says the employee has a significant privacy interest in his financial matters, which has been interpreted to mean that their exact salaries can't be disclosed.

#### NEW BUSINESS

##### **A) Nominations for Chair, Vice Chair, and Secretary for Calendar Year 2006**

In response to Mr. Mukai's question about the composition of the Salary Commission, Mr. Takase stated that the Commission is actually a nine-member board (one from each district). They're in the process of getting one more Commissioner, and that would be Newton Chu, representing district 2.

**Mr. Mukai informed the Commission that he took another Commissioner's place, whose term expires at the end of the year.**

**Mr. Matsuda reported that his commission with the Fire Commission ends in December, and he's looking at various commissions to be involved with. The Salary Commission is going to be one of them that he may consider. He lives in district 1.**

**Mr. Mukai noted that Mr. Mann brings a lot of continuity to the Commission.**

**Chair Mann stated that he would be willing to continue serving as chair as long as he has a vice chair to take over should his illness necessitate it.**

**Mr. Ben stated that they should be aware too that his department supports the Commission in whatever assistance they may need.**

**Mr. Judd nominated Mr. Grace for Vice Chair. Mr. Grace accepted.**

**Mr. Mukai volunteered to serve as Secretary.**

#### **NEXT MEETING DATE**

**The Commission scheduled a subcommittee meeting for Thursday, June 22, 2006, 10:00 a.m., at a place to be determined.**

**The Tier Review Committee meeting was scheduled for June 1, 2006, at 10:00 a.m., in the conference room of the Department of Civil Service.**

#### **ADJOURNMENT**

**The meeting adjourned at 11:03 a.m.**

**Respectfully submitted,**

**Paul Mann, Chair**

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