

COUNTY OF HAWAII  
SALARY COMMISSION  
May 30, 2003

MINUTES

Chair Sanborn called the meeting to order at 1:30 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, Vice Chair  
Mr. Glenn Hara, Member  
Mr. Tsukasa Ishii, Member  
Mr. Gerald Kita, Member  
Mr. Paul Mann, Member  
Mr. Yoshiichi "Joe" Tanaka, Member

**Absent:**

Mr. Jason Hashimoto, Member  
Mr. Richard Rego, 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

APPROVAL OF MINUTES OF MARCH 21, 2003

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

COMMUNICATIONS

A) Communication No. 03-11, dated March 21, 2003, from Dennis Iyo, supporting pay increases for Hawaii County Fire Chief and Deputy Fire Chief.

**MOTION:** Mr. Nye moved that Communication No. 03-11 be received and filed. The motion was seconded by Mr. Tanaka and unanimously carried.

B) Communication No. 03-12, dated April 20, 2003, from “Joe” Y. Tanaka, Member, Hawaii County Salary Commission, regarding the matter of establishing salaries for County executives.

Communication No. 03-12 was moved to Unfinished Business for discussion.

C) Communication No. 03-13, dated April 23, 2003, from Glenn S. Hara, Member, Hawaii County Salary Commission, submitting a proposed executive salary schedule.

MOTION: Mr. Nye moved that Communication No. 03-13 be received and filed. The motion was seconded by Mr. Mann and unanimously carried.

#### UNFINISHED BUSINESS

A) Election of Vice Chair for Calendar Year 2003

Nominations were open for Vice Chair.

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

MOTION: Mr. Tanaka moved that nominations be closed. The motion was seconded by Mr. Kita.

A vote was taken on the nomination for Mr. Nye as Vice Chair. The motion carried unanimously. Mr. Nye was elected Vice Chair for calendar year 2003.

It was noted that Mr. Nye also serves as the Commission’s Secretary, whereupon a question was raised on whether he can serve in two positions or whether the Secretary position is really necessary, as there is no reference to it in the Charter.

Mr. Ashida opined that nothing prevents the Commission from having a secretary, but there isn’t anything that requires it either. Mr. Ashida doesn’t see a need for it.

Mr. Nye asked whether the Secretary is the next in the line of command to chair a meeting if both the Chair and Vice Chair are unable to make a meeting.

Mr. Ben stated that it’s not addressed in the Commission’s rules, but Mr. Ashida noted that Robert’s Rules of Order probably provides for it.

Chair Sanborn requested that counsel check on whether the Secretary position exists or not.

**B) Standard of Conduct Pay for Police Chief and Deputy Police Chief.**

Mr. Nye suggested amending the Police Chief's and Deputy Police Chief's salaries downward by \$1,020, then at the same time grant them the standard of conduct pay of \$1,020.

Mr. Mann commented that he has a problem with the whole title, as they re expected to display good conduct. If it's a uniform allowance, that's what it ought to be called.

Mr. Hara suggested granting the same allowance to the Chief and Deputy Chief that an Assistant Chief would get, and just call it a uniform allowance.

Mr. Ben reminded the Commission of a Corporation Counsel opinion stating that the Commission cannot grant benefits.

Mr. Ashida noted that Mr. Takase's opinion of December 10, 2001 reads that the Commission asked whether they could consider other types of benefits like car allowances, housing, and increased retirement as a way of providing compensation to appointed officials. Mr. Ashida stated that if the opinion is read in the confines of those examples given, it's obviously correct. He doesn't think that the Commission has jurisdiction over increased retirement, but with respect to the standard of conduct pay, he's not at all certain that that's not something the Commission has jurisdiction over. He doesn't look at it to mean a "benefit" as much as part of the salary structure package.

Mr. Hara agreed that one can't change any statutory set-up for any requirement, and inquired if the Commission could provide something like an annuity that would be over and above the State retirement, if it's cost efficient, noting that most of these appointees only serve a limited number of years.

Mr. Ashida hesitated to answer without having done any research, but he did think that those are the types of things that probably would be on the fringe. However, Mr. Ashida felt that the standard of conduct pay would be okay and not one of those things that is on the fringe.

**MOTION:** Mr. Hara moved that effective June 1, 2003, the Police Chief and Deputy Police Chief receive a uniform allowance equivalent to that of the standard of conduct pay of an Assistant Chief, subject to review by Corporation Counsel. The motion was seconded by Mr. Tanaka and carried 5-1, with Mr. Nye voting no.

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

**D) Communication No. 03-12, dated April 20, 2003, from "Joe" Y. Tanaka, Member, Hawaii County Salary Commission, regarding the matter of establishing salaries for County executives.**

Communication No. 03-12 was received and filed.

The above items were discussed simultaneously as they pertained to the same matter.

Mr. Tanaka explained the point he was trying to make in the letter and added that it makes sense to look at what past commissions had done and build onto their efforts. Instead of re-inventing the wheel, the wheel is there for the current Commission to capitalize on. As a lot of work had already been done regarding the tiering, the Commission can work on refinements that need to be done, then start plugging in the numbers looking at Mr. Hara's salary schedule. Mr. Tanaka felt it would be easier to have the tiering done first because it provides a sound rationale, and then put in the numbers.

**MOTION:** Mr. Tanaka moved that the Commission decide upon tiering the departments before deciding upon salaries for the remaining departments. The motion was seconded by Mr. Hara.

**Discussion:**

Mr. Tanaka stated that the Commission could review what the previous commission had done, draw comparisons, add weight to the different departments, come up with a rank order and levels, and then look at the numbers. They know that Police and Fire have already gotten a certain salary. So they could go from there. If they find that they need to adjust Police and Fire then they'll have to do that. The point is they need a foundation for their decisions.

Mr. Hara noted that in the present system, all of the department heads are one grade. Mr. Tanaka is referring to a system of department heads with different grades.

A vote was taken on the motion. The motion carried unanimously.

Mr. Kita commented that although they're not in New Business, when he looks at the proposal that Mr. Hara submitted there seems to be an effort that had already taken place in the establishing of a tiering system. The Mayor, in the 1993 document, was recognized to be similar to a Chief Executive Officer at the highest level, followed by various positions such as the Managing Director and the Prosecuting Attorney. In looking at some of the indicators in Mr. Hara's proposal, it would seem that there was an effort to tier. Mr. Kita noted that part of the framework had been clearly outlined by previous studies and would be a good basis for the Commission to work on.

Mr. Tanaka observed that in Mr. Hara's letter, he mentioned that each one of the Commissioners should look at his proposal and come up with different ideas. In looking at the letter from Mr. Kassar and Mr. West, there are some exhibits Mr. Tanaka would like to have. Mr. Tanaka suggested that the Commission get the additional exhibits, read the material, think about it, let it digest, and then come up with ideas on tiering at the next meeting.

Mr. Ben informed the Commission that the previous commission had all the departments and agencies submit position descriptions, budget information, etc., then testify as to what the positions did. Then they proceeded with developing what they thought was appropriate criteria (Exhibit 1). Based on that criteria, they started to discuss and reach a consensus on the rating. Finally they put the departments into the different tiers. However, the key is that they talked to the department heads and found out what they were doing rather than assuming they were doing certain things.

Mr. Ben also recommended that if Exhibit 1 is the template the Commission is currently looking at, it be shared with the departments to get their input on the criteria.

Mr. Kita suggested the Commission, in the meantime, read through the Cost of Government information and some past history.

**MOTION:** Mr. Kita moved that the Commission use Exhibit 1, Criteria for Multi-Tiered Salary Structure, as a template, distribute it to department heads for comments to be submitted to the Commission by the first week in July, and that the department heads be notified that the Commission would like them to appear and testify at the August meeting or soon after. The motion was seconded by Mr. Nye and unanimously carried.

#### NEW BUSINESS

A) Second Installment of Executive Pay Adjustments (Glenn Hara's proposal of 07/19/02).

**MOTION:** Mr. Hara moved that the implementation of the second installment of the executive plan be deferred for one year. The motion was seconded by Mr. Tanaka.

#### **Discussion:**

Mr. Hara explained to new members that last year there was an across-the-board increase of 8.3%, which was part of a three-year proposal that would eventually have meant that at the end of the third year the executive salary schedule would have caught up to the salary inversion. This was a way to solve the inversion problem, but it looks like the Commission is now going a different way with the tiering, so Mr. Hara thought they could delay the plan until they get clear on the tiers.

Mr. Tanaka stated that the motion doesn't necessarily mean they have to wait a year if they can get the tiering ready sooner.

Chair Sanborn noted that while it was a three-year plan, they only adopted the first year. They did not adopt the second or third years.

The motion was voted on and carried unanimously.

B) Salary Commission's 1993 Written Rationale for Proposed Salary Increases

Chair Sanborn noted that the Commission already discussed the matter under Unfinished Business, item C.

NEXT MEETING DATE

The Commission scheduled its next meeting for Friday, June 20, 2003, at 1:30 p.m. at the conference room of the Department of Liquor Control.

Chair Sanborn noted that he will be on the mainland and unable to attend the meeting.

ADJOURNMENT

The meeting adjourned at 2:54 p.m.

Respectfully submitted,

J. William Sanborn  
Chair

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