

**COUNTY OF HAWAII
SALARY COMMISSION
October 17, 2003**

M I N U T E S

Chair J. William 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. Yoshiichi "Joe" Tanaka, Member
Mr. Glenn Hara, Member
Mr. Tsukasa Ishii, Member
Mr. Paul Mann, Member**

Excused:

Mr. Gerald Kita, Member

Absent:

**Mr. Jason Hashimoto, Member
Mr. Richard Rego, Member**

Others present:

**Mr. Michael R. Ben, Director of Personnel
Mr. Gerald Takase, Assistant Corporation Counsel
Ms. Joney Nitahara, Personnel Program Specialist
Ms. Velma Y. Menezes, Secretary-Reporter
Ms. Noel Ah Choy, Clerk III**

Chair Sanborn called the meeting to order at 1:30 p.m.

Chair Sanborn thanked Mr. Tanaka for serving as Chair Pro Tem in his absence at the Commission's July meeting and for being elected Secretary.

Mr. Sanborn announced with regret that Commissioner Richard Rego submitted his resignation from the Commission. Mr. Rego's letter is on file for the record.

ADDENDUM TO THE AGENDA

A communication was received from John Ray, 2000 County Charter Commission Chair, commenting on the tiered rating system. Mr. Sanborn noted that we accept the letter from Mr. Rego dated October 14, 2003. It is assigned as correspondence 03-31.

MOTION: Mr. Hara moved that the agenda be amended to include the above communication. The motion was seconded by Mr. Tanaka and rejected with Mr. Nye voting no.

Chair Sanborn stated that the communication would be placed on next month's agenda for appropriate action.

APPROVAL OF MINUTES OF JULY 7, 2003

MOTION: Mr. Hara moved that the minutes of July 7, 2003 be approved as circulated. The motion was seconded by Mr. Mann and unanimously carried.

COMMUNICATIONS

A) Communication No. 03-26 dated August 11, 2003, from Lincoln S. T. Ashida, Corporation Counsel, regarding the laws concerning the attorney client privilege.

B) Communication No. 03-27, dated August 14, 2003, Lincoln S. T. Ashida, Corporation Counsel, regarding further clarification of opinion from Office of Information Practices regarding executive meetings.

C) Communication No. 03-28, dated August 28, 2003, from Harry Kim, Mayor, regarding confidential communications.

MOTION: Mr. Hara moved that Communication Nos. 03-26, 03-27, 03-28, be received and filed, subject to any Commissioner's comments on any of the communications. The motion was seconded by Mr. Nye and unanimously carried.

UNFINISHED BUSINESS

A) Communication No. 03-29, dated October 6, 2003, from Michael R. Ben, Director of Personnel, transmitting a memorandum from Mayor Harry Kim regarding uniform allowance for the Police Chief and Deputy Police Chief.

Mr. Tanaka requested that Mr. Ben clarify the second paragraph of Mayor Kim's letter, which says, "and investigation into the County's obligations and practices on uniform allowances for other departments and the police department."

Mr. Ben informed the Commission that they're looking into other agencies that provide uniforms and/or allowances and replacement policies, including the Fire Department and Department of Parks & Recreation. The lower levels of workers in these departments are provided uniforms, but the Fire Chief is not. He purchases his uniforms himself. The Deputy Fire Chief purchased the initial sets, but Mr. Ben doesn't know about replacement sets. The amounts for the Department of Parks & Recreation were minimal.

Mr. Hara stated that the Commission has minimal choice in this matter. For closure, he suggested the Commission send it back to the Police Commission informing them that the Salary Commission has done all it can on this matter.

MOTION: Mr. Hara moved that the Commission forward Communication No. 03-29 with the attachment (Mayor Kim's memorandum) to the Police Commission. The motion was seconded by Mr. Mann and unanimously carried.

Mr. Tanaka asked that if the uniform allowance is not considered a part of their salary, is it considered a benefit?

Mr. Ben stated that Corporation Counsel had previously said it didn't fit the parameters of what salary is. The Commission then decided to ask the Mayor, as the Mayor has the authority to set other benefits.

Mr. Hara noted that the Commission has jurisdiction over salary, not allowances.

MOTION: Mr. Nye moved to amend the motion to defer any further action and to include a memo stating that there will be no further action from this Commission, along with the letter from Mr. Michael R. Ben, Director of Personnel.

Mr. Hara opined that the Commission has already taken action on this by having forwarded this to the Mayor, having gotten a response, and now forwarding it on to another affected commission for their information.

There was no second to Mr. Nye's amended motion. A vote was taken on Mr. Hara's motion. It carried unanimously.

B) Communication No. 03-30, dated October 6, 2003, from Glenn Hara, Chair, Tier Review Committee, submitting its final report on the study of a tiered compensation system.

Chair Sanborn thanked Mr. Hara and the members of the Tier Review Committee, along with Ms. Menezes, for their hard work and time spent on this.

Mr. Hara noted a correction to the report, which was already amended for each of the members in their folders. The correction was the placement of Data Systems in Tier 4 rather than Tier 3.

Mr. Hara noted the Tier Review Committee's recommendations on page 2 and 3 of the report and suggested the Commission's approval of the Committee's recommendations. In essence the Committee is recommending that the full Commission tentatively adopted the report and the schedules, distribute the report, and start scheduling comments from departments. Then based on comments from the public and departments, the Commission can finalize the pay schedule, the ranking in terms of tiers, and also the assignment of any department to any pay grade on the pay scale.

Mr. Hara also thanked Mr. Ben and his staff for supporting the committee.

MOTION: Mr. Hara moved that the Commission adopt recommendation number 1 in the Tier Review Committee report. The motion was seconded by Mr. Tanaka.

Discussion:

Chair Sanborn noted that recommendation number 1 on pages 2 and 3 recommends that the Commission adopt the recommendations for the purpose of circulating them as the Salary Commission's proposed action on executive salaries for comment from County department/agencies and the public.

Mr. Hara explained that page 3 proposes adopting the tier system, adopting the allocation of tier grades, and adopting the pay schedule for the purpose of soliciting comments. The adoption would be for the purpose of taking an initial position for which the Commission would like the public to comment on. It is not an action to establish any particular salary for any executive department at this time.

Mr. Nye stated that it was his understanding that the Tier Review Committee was going to set up a tier system, which this is, but he was never informed of the proposed pay schedules. This proposal is not what was discussed previously, and it sets up a pretty substantial pay increase with no qualifications. This, to him, is an across-the-board pay increase and has nothing to do with tiers. It's a substantial pay increase right off the bat.

Mr. Hara explained that the Tier Review Committee put in some numbers because otherwise it becomes abstract and there's no way of evaluating what the overall impact is of where the tiers are and how they're allocated. By putting a number figure, it at least shows some of the financial impact on a system like this. The pay schedule itself is subject to final Commission approval after the Commission gets public input. If a dollar figure isn't put on it, it becomes very difficult to talk about it.

Mr. Mann commented that recommendation number 1 is to do exactly what Mr. Nye is doing - to generate comments just as he has done, although the

Commission hasn't even gotten to that point yet. They have to start someplace. The Commission will get comments from other people too. Whether they agree or disagree doesn't matter. The point is that there has to be a starting point, and that's what the Committee has done - come up with something arbitrary to start it. The numbers aren't carved in granite. The only numbers that the Commission is tied to are the current salaries that they've already established for the Police Chief and the Fire Chief.

Mr. Sanborn stated that there was a discussion about starting the Mayor at Step A versus Step C; however, in looking at the numbers, it looks the Mayor starts on Step C rather than Step A. There was also discussion that everyone started at Step A, except for Police and Fire.

Mr. Hara stated that perhaps the comparison needs to be amended.

Mr. Tanaka stated that he can understand Mr. Nye's point too, but if he doesn't want to have the item, then the motion needs to be amended to delete from the two parts from the recommendation. He thought the recommendation was a good starting point.

Mr. Nye stated that he thinks the tier system is a good starting point. His problem is with the arbitrary numbers that they're throwing out there. The existing numbers could have been used as a starting point instead. In fact, it should have been the middle of the road to allow for some movement down and some movement up.

MOTION: Mr. Nye moved to amend the motion to exclude item C of recommendation number 1.

There was no second to the motion.

Chair Sanborn called for a vote on the original motion. The motion carried with Mr. Nye voting no.

Mr. Sanborn noted that a lot of this matrix has come from the Tier Review Committee sending out a form to the department heads asking them to rate themselves. It wasn't something that came up arbitrarily; it was actually initial information coming from all of the departments. What is going out now are the results of what has been tabulated and the recommendations to see what the responses are at this time.

Mr. Hara noted that there is also a recommendation that the Chair consider a similar type of committee for the Council salary. The Tier Review Committee did not address that at all, as they thought Council was different.

Chair Sanborn acknowledged such a committee definitely needs to be established; however, the Commission should take that up at the next meeting and at least get through the first review to see what the initial reaction is.

MOTION: Mr. Hara moved that recommendation number 2 in the Tier Review Committee report be adopted. The motion was seconded by Mr. Tanaka.

Discussion:

Chair Sanborn noted the Committee's recommendation that the Chair establish another committee to study and report on the Council members salary, which was not addressed in the report.

Mr. Hara explained that the reason he requested the Committee put this in as a recommendation is that they seem to have made the most progress as a committee and if a committee can work efficiently in this area then maybe that's the model the Commission should adopt in terms of moving forward on the items they are responsible for. It seemed to be a very effective way to gather information and sift through information, then pass on the major points to the full Commission for consideration.

The motion was voted on and carried unanimously.

Mr. Ben raised the issue of the logistics in going out with the recommendation.

Ms. Menezes informed the Commission that the timetable discussed for dates were Wednesday, November 5, 2003; Friday, November 21, 2003; Wednesday, December 3, 2003; and the regularly scheduled meeting is set for Friday, December 19, 2003.

The purpose of the next three meetings would be to receive information from the department heads, Mayor, and the public on the tier recommendations that will be sent out.

Ms. Menezes informed the Commission that the agenda is required to be filed with the County Clerk six days before the meeting. A memo is sent to the newspapers and the agenda is also posted at the County Building and at the meeting site.

Mr. Nye stated that he never sees it advertised in West Hawaii Today, which leaves out the entire West side of the island. When you're talking about getting public input, it's not coming from over there because nobody knows the Commission is meeting.

Mr. Ben stated that that problem can be taken care of.

Mr. Nye noted another problem in that it will be difficult for people who work during the day to take five hours out of their day to drive to Hilo to put in comments.

Chair Sanborn stated that comments can be solicited in writing. There is also a County web page with a Salary Commission page.

Mr. Ben further noted that there is a County calendar that's published on the web page which lists all the meeting dates. A notice could indicate that email comments be submitted to the Department of Civil Service. Mr. Nye has brought up two problems--one is the notice to the West side, and the other is making it easier for the West side, North Side, South side, etc, to come and present testimony. Those are the two problems that the Commission needs to address.

Mr. Hara asked if there were any other legal requirements for notices of meetings.

Mr. Takase responded in the negative. This Commission as well as the other commissions do send notices to the newspapers.

Ms. Menezes confirmed that the agendas are sent to West Hawaii Today.

Chair Sanborn commented that it's a matter of whether they want to print it or not.

Mr. Takase suspected that this will be newsworthy, so there will probably be an article about it rather than just a blurb in the newspaper.

Mr. Armstrong, a newspaper reporter, stated that it's his understanding that the other County agendas have to be published in two papers. That's the way it is with the County Council's agenda and some of the other agendas. Mr. Takase might be able to comment as to whether the Salary Commission falls under that public notice provision.

Mr. Takase stated that the only requirements are where a public hearing is held under Chapter 76. If the County Council is passing rules, they will publish a notice. They pay for their own ads. Public hearings are basically held when there are rule making changes. Public hearings have certain requirements, such as having to set 30 days notice and publishing any changes in rules.

Mr. Takase is comfortable that the Commission is holding meetings and not hearings on this issue.

Mr. Nye stated that he's more interested in finding a way to get public input than hearing from the department heads.

In discussing meeting locations other than Hilo, Mr. Hara stated that he would not mind on occasion driving out to Kona. A good compromise would be Kamuela.

Chair Sanborn suggested that the Commission at least keep it mind and if someone thinks of other solutions to making it easier for the public to submit testimony, it can be brought up at future meetings.

NEW BUSINESS

A) Discussion on timetable for response from department heads and the public on the tier proposal.

Mr. Ben stated that he would send a notice to the department heads tomorrow or Monday to inform them of the November 5 meeting at which the Commission will receive comments from them.

Mr. Hara suggested that if the November 5 meeting goes over two hours, it can spill over to the November 21 meeting. The November 21 should be for public input, then the Commission can shoot for December 3 for action; or if there's a spillover from November 3, they can push the action to December 19.

MOTION: Mr. Mann moved that a deadline of November 5, 2003 be set for department heads, Mayor, and Council to submit comments, either in person or in writing, on the tiered compensation plan. The motion was seconded by Mr. Hara.

Discussion:

Mr. Nye questioned whether there would be much of a difference if the department heads gave oral testimony or submitted their comments in writing, as they have in the past.

Chair Sanborn responded that the Commission needs to allow them to respond either in person or in writing.

Mr. Ben stated that he suspects there will be department heads who would like to do it orally because they do not have the time to sit down and write it.

Mr. Hara noted that if were him, he'd like to make an appearance, as the Commissioners might have some questions they'd like answered.

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

Regarding getting the notice out to the public, Mr. Hara suggested setting that deadline for November 21.

MOTION: Mr. Hara moved to set the deadline for public comment for the November 21, 2003 meeting.

Mr. Takase stated that the public can comment up until the Commission adopts the proposal.

Mr. Takase suggested that since the Commission has three dates scheduled for this matter, the Commission might consider going to Kona on November 21. That will give West Hawaii the chance to comment. Then the Commission could schedule December 3 as the date to vote on the matter.

Mr. Hara suggested having a committee consisting of Kona representatives to hold the session to receive public comment and report back to the Commission. That way, there won't be a quorum requirement, and if the Hilo Commissioners can make it they can just have an information-gathering committee go out.

Mr. Takase reminded the Commission that any comments that are made will need to be recorded.

Mr. Hara withdrew his motion, as the deadline for public input will be the meeting the Commission takes action.

Mr. Hara noted the provision that that a commission can operate as a committee, and the committee can gather information and report back to the commission.

MOTION: Mr. Hara moved that the Chair appoint a committee to conduct an informational meeting on November 21, 2003 in Kona or Kamuela, at the Chair's discretion, and at a time to be determined, for the purpose of receiving public comments on the Tier Review Committee's report. The motion was seconded by Mr. Mann.

Discussion:

Mr. Takase opined that the meeting is an informational meeting because the Commission will take no action at that meeting. It's really to gather information to bring back to the Salary Commission itself.

Mr. Tanaka asked whether the Tier Review Committee report has to be a part of the notice.

Chair Sanborn stated that he doesn't think so. The report can be distributed at the meeting.

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

NEXT MEETING DATE

The Commission scheduled its next meeting for November 5, 2003, at 1:30 p.m., at the conference room of the Department of Liquor Control.

MOTION: Mr. Nye moved to establish a committee for the November 5, 2003 meeting for the purpose of having an informational meeting to receive departmental comment and public comment. The motion was seconded by Mr. Hara and unanimously carried.

Chair Sanborn noted that if there is a quorum, the Commission will hold a regular meeting. If not, the committee can receive the testimony.

MOTION: Mr. Hara moved that the December meetings be held on December 3, 2003 at 1:00 p.m. and December 19, 2003 at 1:30 p.m. in the Liquor Department Conference Room. The motion was seconded by Mr. Mann and unanimously carried.

ADJOURNMENT

The meeting adjourned at 3:00 p.m.

Respectfully submitted,

Mr. J. William Sanborn
Chair

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