

COUNTY OF KAUAI  
SALARY COMMISSION  
4444 RICE STREET, MOIKEHA BUILDING  
MEETING ROOM 2A/2B  
LIHUE, HAWAII 96766

MINUTES OF THE COMMISSION'S

NOVEMBER 21, 2019 MEETING

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ATTENDANCE

Commissioners present: Kenneth Rainforth, Chair  
Robert Crowell Vice Chair  
Leland Kahawai, Commissioner  
Trinette Kauai, Commissioner

Commission Support Staff: Ellen Ching, Boards and Commissions Administrator  
Mercedes Omo, Support Clerk

Commission Attorney: None present

Invited guests: Janine Rapozo, Acting Human Resource Director  
Reiko Matsuyama, Director of Finance

CALL TO ORDER

With four (4) members present, Chair Rainforth called the meeting to order at 9:00 a.m.

CHAIR'S ANNOUNCEMENT

Next scheduled meetings: 9:00 a.m. on Wednesday, December 4, 2019 and at 9:00 a.m. on Monday, December 9, 2019 at the Mō'ikeha Building, Meeting Room 2A/2B

APPROVAL OF OPEN SESSION MEETING MINUTES OF NOVEMBER 6, 2019

Chair Rainforth: Is there a motion to approve the meeting minutes?

Mr. Kahawai: Chair, I move to approve.

Ms. Kauai: Second.

Chair Rainforth: Is there any discussion or corrections or additions? I have one. On page three (3) and four (4), Ellen was talking about the percent increases that are being anticipated. Just for everyone's clarification, I believe that the percentage should have been 6.55 percent and not 66.5 percent. If it was 66 percent, I would be contemplating on returning back to work.

Ms. Ching: What I was saying it was around 6 to 6.5 percent somewhere in that ball park.

Chair Rainforth: If that's the case would we need to correct the minutes?

Ms. Ching: Yes.

Chair Rainforth: Okay. I have one correction. It's funny when you read the minutes verbatim you can see how badly we speak English. On the top of page five (5), first paragraph, second to the last line. I think, I said it deserves a large footnote to explain that and not a lot of....it doesn't make sense.

Ms. Omo: I'll make the necessary changes.

Chair Rainforth: Okay, are there any other changes or deletions? Hearing none, can I have a motion to approve the minutes of November 6, 2019 as amended?

Mr. Kahawai: So moved.

Ms. Kauai: Second.

Chair Rainforth: All those in favor of the motion to approve the minutes as amended, please signify by saying aye. Opposed? Hearing none. The motion carries.

**On a motion made by Mr. Kahawai and seconded by Ms. Kauai the motion to approve the minutes of November 6, 2019 as amended carried 4:0.**

#### COMMUNICATION

- Communication dated November 6, 2019 from Chair Kenneth Rainforth to Chair TenBruggencate, Charter Review Commission regarding a proposal to amend the Charter to grant the Salary Commission the sole authority to review and compensate all county elected officials and appointed directors and their deputy directors.

Chair Rainforth: Next on the agenda is a communication dated November 6. It's a memorandum from me to Jan TenBruggencate who is the Chair of the Charter Review Commission informing them that the Salary Commission wishes to have an amendment to the Charter, regarding the Salary Commission. At the last meeting, we talked about at the last election there was a ballot question to change the Charter to whatever the Salary Commission deemed appropriate to become law, and not have to go to the County Council for their approval or disapproval. I'm going to be attending a Charter Review Commission meeting on Monday, November 25, 2019.

Are there any suggestions as to what you would like me to tell the Charter Review Commission?

I think Trinette summed it up from reading the minutes that when we went to the Council earlier this year, we saw how frustrated they were about the issues dealing with the salaries. So, I think they could relieve themselves from the pressure by putting this on the ballot and let the

electorates of Kaua‘i decide. When I looked on line, I was a little surprised that the proposal didn’t get defeated as much as I thought it was going to be. I think it got a little over one-third of the votes. So, are there any other suggestions that I can say to the Charter Review Commission? None. Okay, moving on.

## BUSINESS

- SC 2019-04 Discussion and decision-making in establishing the maximum cap for salaries for certain County officers and employees included in Section 3-2.1 of the Kaua‘i County Code for Fiscal Year 2020/2021. (On-going)

Chair Rainforth: At our last meeting, we had some interesting questions that we brought up. Most importantly, Commissioner Kauai and Commissioner Crowell said that we want to investigate allowances and bonuses, but we needed some guidance from the County Attorney’s Office to say whether or not the Salary Commission can do anything about the allowances and bonuses. So, we need that information completed and reported to us so we would know whether or not we should pursue this or not.

Ms. Ching: I forwarded the question to the County Attorney’s Office and they came back with a response that the Salary Commission would be able to (if you wanted to) create allowances as part of the Salary Resolution.

Chair Rainforth: Am I correct in my thinking that an allowance could be considered a bonus such like the Police Department Standard of Conduct allowance?

Ms. Ching: That’s the example I used with them when I put the question forward to have an affirmative answer where they said yes, you can do that. I think how it’s described in the Salary Resolution would be key.

Chair Rainforth: Yes, that’s very important. It’s possible that the Finance Director could talk to the Commission on how that could be put into the Mayor’s budget; how would that work?

Ms. Ching: I did send a request for the Finance Director to be presence to discuss...initially at the last meeting, there was discussion about the projection of a deficient so, that is why I asked her to come to talk to this group about.

Chair Rainforth: Okay, thank you. We are also waiting on some data on the department’s budget and staffing so, I’m thinking we have Janine Rapozo here.

Ms. Rapozo: Thank you. Good morning, Janine Rapozo, Acting Director of Human Resources. I handed out three different handouts to you. The first one is a comparison of the various counties population, they’re square miles and they’re operating budget, number of employees and the salaries for their department heads. Of course, it’s not necessarily a one-to-one comparison on all the departments so, there’s some footnotes here and there. This was for fiscal year 2018/2019 – June 30, 2019.

You'll notice that the raises that you approved for our Department Heads is not in there. I didn't want to have those raises in there, but yet the budgets were for those fiscal years, so I didn't want to mesh the two together. So this is purely for fiscal year 2019.

The second handout is actually the most recent jurisdictions department heads salaries and the dates that they were last implemented. The first sheet that I handed out – the city actually prepares this for us every year, so there is one forthcoming for the current fiscal year that would end next month. So, I can get this updated next month. This kind of gives you a broad picture of all of the different jurisdictions and the size of their departments and their annual budget. The 2020 version will probably go up incrementally based on the next year's budget.

But I also wanted to provide you with the salaries that was last approved for the Department Heads so that's the second page. And this one will merge into the first page once we get this new report. I could have done that but I didn't have all of the budgets done, so that I needed to do some research but the city is going to get that done next month and I'm hoping to piggy-back on that as well.

Ellen, also asked me to provide you a little bit...are there any questions on that first?

Chair Rainforth: The number of employees that are on your first sheet those are warm bodies or positions?

Ms. Rapozo: Those are authorized positions.

Mr. Crowell: Thank you.

Ms. Rapozo: So, the third page I have it out is something that Ellen wanted me to go over which was all the various bargaining unit compensation that we had over the last two years. We have eight different bargaining units for the County of Kaua'i so there are five (5) different Hawai'i government employees association units like HGEA. We have Unit 2 which is our blue collar supervisors, Unit 3 which is our clerical white collar, Unit 4 which is our clerical supervisors, Unit 13 which is our professional and scientific members and Unit 14 which is our ocean safety officers and they are combined with the State Sheriff Department.

We also have Unit 1 which is our blue collar workers – UPW, United Public Workers. We have Unit 11 which is the Hawai'i Firefighters Association and Unit 12 which is SHOPO (Police Officers).

We don't have contracts for all of the HGEA Units, it expired on June 30, 2019. We have gone to arbitration for Unit 4 thus far and Units 3 and 13 have agreed to a settlement – I can talk about those later, but before it gets final approval every legislative body has to approve those settlements. So because the legislature is not in session those raises will not become effective as long as every legislative body approves it, including our County Council until March or April when the legislators get back in session. But Units 2 and 13 have agreed to a settlement. Unit 4 we already went into arbitration but we haven't had a decision yet.

Unit 14 and Unit 3 will be going into arbitration in January 2020. So all of those don't currently have contracts. Unit 11 and 12 which is our firefighters and police and Unit 1 which is our blue collar workers all have contracts.

The third sheet that I handed out basically, what has been settled already is the 6.5 percent. Basically, every unit when you look at it we call it an increase to base and it's roughly a 6.55 percent increase to base over a two-year period for the units that have already settled. You may have heard in the press about a two percent across the board with step movement and with some kind of lump sum payment. Every unit kind of crafts their own award or settlement in different ways, but at the end of the day the increase to base is roughly about the 6.55 percent over two-years which is about 3.25 or .26 percent increase, which for some people they take it across the board because Unit 1 only has one-step for their members.

Units 11 and 12 which is our firefighters and police they also include a step movement plan which equates to about 1.3 percent because you don't get it every year – the step movement itself is about 4 percent, but because they don't get it every year the actual cost to the increase to base to the employer is about 1.3 percent. So they take a two percent across the board whereas, UPW would take a higher across the board because they don't have steps. So, there's various ways to skin a cat; you can do a lump sum payments, you can delay your across the board so that at the end of day it becomes 6.55. So, every unit has different needs and I didn't want to say 2 percent because it's really not a true statement so overall it's 6.55 percent across the board for those who have step.

The across the board increases is one of the ways you can craft your contract. You can use step movements like I told you about. You can use differentials which is what various contracts do. Standard of Conduct is one for police and some other units have night differentials, split shift differentials, stand-by pay, call back pay, shift work, hazard pay, meals, and night alarm premium and there's other differentials such as canine, bomb technician or an EMT certificate for our ocean safety officers. So, basically what that means as an example, for Unit 14 if you have an EMT Certificate you would get paid a differential of one to two dollars per hour, so that's a differential on top of your regular salary. So those are the different ways the units craft their settlements to provide for different ways of getting their raises or getting their salary package.

The other way also is through allowances which would be firearms (gun), uniform allowance, automobile allowance, cellphone allowance and for the firefighters there is what is called a bobby allowance (bureau opportunity benefit incentive). Most firefighters don't like to work 40 hours shift like coming into the office for prevention or training bureaus, because the regular firefighters out on the line work 10 days a month 24 on – 48 on that type of schedule. So, it's very hard to get firefighters to come into the office to do a 40 hour shift for prevention or for training – those bureaus run a 40 hour shift, or even for administrative positions. So it's actually an incentive for them to come (like an allowance) that is provided monthly to the firefighters. Don't ask me what the cost is, but it's pretty significant it's like \$400 to \$500 a month for them to come in. That is something I thought the Commission could look at as an incentive to become a Department Head to help with the inversion. But anyway that was just a thought.

The other thing that I just wanted to mention is besides the 6.55 increase to the base for the various contracts, the out-of-pocket cost to the employer can sometimes be higher because of the one-time lump sum payment. For example, fire and police all of the members except for the recruits got an \$1800 or \$2000 lump sum payment at the beginning of the year depending on their years of service. We call that an out-of-pocket because it's a cost to the employer but it's not going to compound going forward, it's just for that year. We tend to like to settle things like that because it doesn't increase the base and it's not on a continuous basis, so the out of pocket cost to us is sometimes higher than the 6.55 percent increase. That's what it is in a nutshell.

Chair Rainforth: That was a lot of information.

Ms. Rapozo: I know that's a lot to digest, so if I need to come back for another meeting that would be fine.

Chair Rainforth: Are there any questions for Ms. Rapozo?

Ms. Kauai: Janine, you know for the Police Chief and Deputy "the other" \$7200 is that for canine and bomb tech?

Ms. Rapozo: For Police Chief and Deputy that "the other" is for firearm, gun allowance, uniform allowance and I think for subsidize vehicle allowance for them.

Ms. Kauai: I guess the "other column" that reflects the \$7200 may be the Standard of Conduct.

Ms. Rapozo: Yes, I think that's for Standard of Conduct. And, you know on the raises the one you said they have to wait until the legislature is back to session and Council has to approve does their pay go retro?

Ms. Rapozo: It depends on how it's crafted. Some of them have retro built into that unit. Unit 2 is not taking a retro but what they're doing is the way the settlement was negotiated is that they're taking a \$2000 lump sum payment on July 1, 2020 so there is nothing for 2019. Basically, it's the retro they're taking as a lump sum.

Ms. Kauai: Okay, thank you.

Chair Rainforth: Are there any further questions for Janine Rapozo? Thank you for coming and thank you to you and your staff for bringing this together. We really appreciate it and we're going to need some time to study it and we may have some more questions after that. So, thank you again.

Ms. Rapozo: Thank you.

At 9:27 a.m. Ms. Rapozo left the meeting.

Chair Rainforth: I know for myself I'm going to spend a lot of time with the first handout that Janine gave us. This is information that I have been thinking about for a month now and I'm glad we have it and we can study it. For this meeting, I don't think we're going to get into it too much but what we can do is discuss allowances and bonuses some more on how we may want to pursue that. At the last meeting, Ellen talked to us about Mayor Kawakami speaking before the Civil Service Commission to ask the Commissioners about the possibility of giving bonuses and Ellen believed that that questions referred not only to appointed elected officials but for all government workers.

Ms. Ching: To put it into context, the Civil Service Commission is in the middle of hiring a new Director for the Human Resources Department and they invited the Mayor to come to talk to them about what is his expectations and what are some of the things that he's looking for in the new Department Head for Human Resources. To summarize some of the things he was talking about is, he really wants somebody that forward looking, that's invocative and as an example, he brought up that he would like to see if it is possible to be able to give bonuses quote, unquote for excellent performance. If somebody finishes a project on-time, under budget what's the possibility of that and to really look for creative means to recognize and motivate excellent work/excellent employee. So, that was the context that he made those statements in.

Chair Rainforth: Thank you. Commissioner Crowell have you been thinking about this since the last meeting? Do you want to share your thoughts? I'm curious as to how we would go about this.

Mr. Crowell: Actually, what I was hoping today is to have the Director of Finance on what was said previously about a projected deficient. If you really want my thoughts (if I'm hearing correctly) my recommendation for this year at least is to not make a recommendation for salary increases. I think, we should spend the year working on what we intend to do in the future, but if I'm hearing it correctly, I think it would be a battle to go in with increases for this year. What I'm hearing is, the Mayor may increase the salaries of his Department Heads salaries come December 1<sup>st</sup>. Anyway, I think I've said enough.

Chair Rainforth: Trinette, do you want to talk about your idea regarding the allowances and bonuses? It doesn't necessarily need to be for a proposed resolution in January, it can be for next year.

Ms. Kaui: Right, and I agree totally with Commissioner Crowell and I know that we are looking forward to hear from the Finance Director. I like the idea of us putting together a package for next year for an x-amount of years. I know that we had problems with that in the past whereby the economy tanked and we had to freeze those salaries. We could also put caveats to that effect if something should happen. I think for me, giving bonuses is a good incentive; however, as I said in previous meetings I'm not sure how the evaluations go if it's just a check mark or they have to do self-evaluations and goals, but it should be some kind of a metric or matrix on key performance indicators that should be set-up for the individual or the department head. I know it's going to take a lot of work on the part of Human Resources or whoever needs to put it together. And if the employee does reach these key performance indicators then they get a

percentage of their base rent or something if that nature. So, that's kind of my idea. It's going to take a lot of work, but that's something to look at.

Chair Rainforth: I have been thinking about this as well, but I also thought about how it could be used by a bad mayor for cronyism and award his friends benefits. I was also thinking if there's some kind of check and balances we could be thinking about as well. Your list of incentives is interesting but I was thinking there could be a second body to provide approval...I'm just rambling on how this could possibly work.

Mr. Kahawai: Regarding the bonuses, I'm a believer that we should reward positive behavior, but without knowing the metrics or the measurement it's going to be challenging for us to come up with a recommendation. I think we need to see the metrics and the measurements and measure the employee too, then I think it will be easier for us to set some sort of compensation for that piece.

Chair Rainforth: Thank you. I guess it's time for the Finance Director to come up and speak.

At 9:27 a.m. Director of Finance Reiko Matsuyama entered the room.

Ms. Matsuyama: Hi there, Reiko Matsuyama, Finance Director. So we're talking about going into Fiscal Year 2021 budget. Is that what's on the table?

Mr. Crowell: Yes.

Ms. Ching: Yes, my understanding is and I wasn't at the staff meeting, but the other staff was and they reported that there was a presentation and that the projection was a deficient for the next year. So, as they were discussing the salary resolution and the salary increases, I brought up a couple of points I wanted them to take into consideration, so that's why they said they would like to have the Finance Director here to hear more from you about the forecast of the County's finances in relationship to whether they should put a salary resolution forward or wait till next year or be extremely modest in any of those different alternatives.

Ms. Matsuyama: We did do a presentation to all of the Department Head levels as we went into...well, just starting Fiscal year 2021 budget. What it's looking like and we just finalized the values for real property taxes yesterday. But it's looking like we're going to get an increase of about 5 percent in real property taxes going into Fiscal Year 2021 which amounts to just under 8 million dollars. The problem with that is (it's great because it's an increase in general fund revenue) we have ERS increases so the employer retirement system, they are increasing the mandatory contribution percentage which will go up basically, two percent for all of the general staff and it goes up 5 percent for police and fire. So that in itself amounts to about 3.5 million dollars, so out of that 8 million dollars you're already out 3.5 million dollars.

We have arbitrations going for all of the other units, so we build in a 3.5 percent increase and now, all of those unions are going for bonuses as well, so if one gets it then everyone else wants it, and so that is what we are facing as well. We've settled on a bunch of the units and we still have two more to go in January. Unit 4, we only have 17 employees in Unit 4 and so it's not a

significant impact for us, but they were asking for a 39 percent increase over a one-year period basically. Obviously, we need good people to go in to fight that on a state wide level, but Unit 4 is small for us, but their waiting for Unit 3 to settle before they come out with their decision. So, they want to see what Unit 3 gets and Unit 3 is obviously has a more greater impact for Kaua'i County.

With all of that being said, we also got hit with a 20 percent increase in our insurance premiums. The market is kind of correcting itself insurance wise and everybody is seeing their property and access properties sky rocketing so we just got the bill and we have to pay it this month because our renewals are November 1<sup>st</sup>. So with that being said that's another \$300,000 that's gone off of the table, so what we presented is essentially a deficient of about \$280,000 going into Fiscal Year 2021 and it's just based on ERS and salaries increases alone. Obviously, those are just very rough numbers and the message we gave to the Departments is don't come asking for the world because you're not going to get it so unfortunately that is the situation.

Chair Rainforth: Are there any questions for the Finance Director?

Mr. Crowell: No, I think I understand.

Ms. Kaui: Thank you for your presentation. \$280,000 is not too bad, I thought it would have been more, but that's pretty good given that you factored in some of the increases. For real property tax do they see an increase in rates or are you assuming that it would be the same rates that they used.

Ms. Matsuyama: Correct.

Ms. Kaui: Just values will be going up.

Ms. Matsuyama: Values will be going up, yes. If we needed to increase rates and fees going into Fiscal Year 2021 there are some proposals the Mayor's Office is looking at doing, but we don't know. If we need it at least there will be something, but we're hoping not to need it.

Ms. Kaui: You know on the lump sum payments is that more beneficial to you folks rather than an across the board increase or the timing of the increases.

Ms. Matsuyama: Going into arbitrations, we would probably try to negotiate a bonus over an across the board pay increase because the next steps are not calculated on top of it; that's one thing. Initially, when they started proposing these bonuses, we tried to isolate it for only certain unions to say police needs it for recruitment, but HGEA probably doesn't need it for recruitment. If there's something can be tied to certain class of employees so it can't be extrapolated to the whole that is what we would prefer, but they always find a way to maneuver it into the negotiations.

Mr. Kahawai: Reiko, does the County take into account increase rate hikes or drops to determine part of their budget?

Ms. Matsuyama: We do budget for interest income, but honestly, in the grand scheme of things it's not very significant but there are place holders for interest revenue.

Mr. Crowell: From the Finance Department's standpoint, if we as the Salary Commission were to recommend multiple year increases is that more beneficial for you folks on how you would determine your budget or does it really matter?

Ms. Matsuyama: For budget purposes we would budget for whatever the max is for the department heads. For Fiscal Year 2020 we prorated it for the portion of the year that the Mayor had committed too. But going forward, we would budget at the max whether or not it's paid out that's up to the Mayor. So if there is an increase in scale, then it would follow that increasing scale.

Chair Rainforth: Thank you very much for your testimony.

Ms. Matsuyama: No problem.

Mr. Crowell: Yes, thank you.

Mr. Kahawai: Thank you.

Ms. Kaui: Thank you, Reiko.

At 9:43 a.m. Ms. Matsuyama left the meeting.

Ms. Ching: Reiko just handed me what she went over with you regarding the budget and we'll make copies of that and include that in your packet. It's basically, showing what her projection is of a deficient currently based on the estimates because there are still some contract units that are in arbitration or negotiations. But currently, she is projecting a \$286,466 deficient for the next year.

Chair Rainforth: How big is the County's budget?

Ms. Ching: The County's budget, well what she's showing here is not reflecting the whole budget. Yeah, she doesn't have that on this.

Chair Rainforth: Does anyone have a clue?

Ms. Ching: If you look at one of the handouts by department.

Chair Rainforth: It must be somewhere - \$60 million...it must be tens of millions off. What I'm thinking is the projected deficient is fairly small so I don't think that the Commission should fear submitting a resolution this year because of the foreseen deficient, but I'm also thinking along with Commissioner Crowell that it's probably not advisable to do it this year. Since Mayor Kawakami withheld the salary increases for the department heads and deputies who are under his control, which is not going to come into effect until next month. The arguments that were could

have before the County would seem somewhat diminished, but we'll have to see because we haven't made a decision yet. But we will have to make a decision by our December 9<sup>th</sup> meeting.

Ms. Ching: Chair, our moving has been delayed so if you want to meet again in December you could. There is one another issue that I would want this Commission to consider; it came up last year and the way the Commission handled it last year was to kind of have two-tiers. The graduate or professional level tier and sort of another tier.

Our water manager has stepped down and we have talked extensively about the chronic vacancy of our County Engineer position. So, I think if there is any positions that I would want this body to look at and assist the County with filling those positions it's those engineer positions. I understand that the County has hired a headhunter to try to recruit and in discussions with them basically, they laughed.

Chair Rainforth: What was your last part?

Ms. Ching: They're talking to professional executive recruiters to try to assist the County to fill the positions because of the salary level that is offered for that position they laughed at the County.

Chair Rainforth: No interest.

Ms. Ching: Well, they're recruiters so they're getting retained to try to recruit, but their feeling was that...

Mr. Crowell: I have a whole different perspective to that. I think the County needs to take a look at the Department Heads and ask themselves do we really need an engineer to fill that position. In my opinion, you need a manager not an engineer to run a department. I'll go back to the Department of Transportation that I'm part of, our Department Head is not an engineer and even the former Department Heads were not engineers but DOT ran fine. So, I think that the County needs to look at which departments needs engineers and if you have to change the charter, then change the charter or whatever you have to change for that.

I'm not a believer that an engineer needs to run a department which is why we are having such difficulties. I know that the Department of Transportation, if we required an engineer to the head of the State Department of Transportation it will never happen. Engineers out in the real world are making way over that amount and unfortunately we can't, in government we can't deal with that. But I go back to you're not engineering a department, your managing a department and that's what you really need is a manager.

Ms. Kauai: Thank you, Commissioner Crowell for your comments. What's interesting is we met with the Contractors Association and that particular subject came up and by law the person needs an engineering degree, but to some point, and I get that they need a good engineer and if we could get a good engineer with good management skills that would be awesome. I know some people who applied for the position that have engineering degrees, but for some unknown reason none of them were hired.

I think for the County especially, the Engineering Department if they don't have an engineer the County could be liable if something was to happen to a bridge or a road because they don't have the expertise. I'm sure they have a PE on staff that can stamp, but.

Mr. Crowell: That's exactly what happens in the Department of Transportation. And I know what you're saying it is by law and that's why I'm saying that the County needs to look at the law and maybe change the law. I realize, yes, that the County Engineer needs to be an engineer and the Department of Water the person has to be an engineer.

Ms. Kauai: Right.

Mr. Crowell: I think because of these difficulties and I'm not saying that it will happen tomorrow, but because of these difficulties the County should really take a hard look at changing the minimum qualifications for those Department Heads.

Ms. Kauai: Right, either that or we will need to raise the salary cap.

Mr. Crowell: Because we're going to have to look at it...

Ms. Kauai: I think that if we do lower the standards do we also lower the salary? Because when we looked at the position we factored in an engineer degree. Well, that is something we can look at if the Charter amendment passes, then we can look at that.

Mr. Crowell: If we get into that part and this is the kind of stuff that we need to be talking about throughout this year. Ellen, brought up a good point that we go back and look at the tier concept. I don't know what we are going to do with it; two-tiers or three-tiers, but I think part of our year and maybe it will take more than a year in discussing it and try to massage all of the different things. Well, that's just my feelings.

Ms. Ching: Chair, excellent discussion and I'm very familiar with state transportation because I worked a lot with them and the fact that they have many engineers on staff the Director was not an engineer. I do know that the Administration will be appearing before the Charter Review Commission and they will be putting forward proposals to do just that, to try to broaden the required qualifications for the Water Manager as well as the County Engineer so that they can have a better applicant pool and not make it mandatory for a PE license. When the question came upon the ballot it failed and right now, I would say it's critical and I don't want to use the word crisis but it's really at a difficult point not only with the County Engineer position being vacant for so long, but now with the Water Manager stepping down. So those are the two critical things especially with all of the mitigation that is being done with the federal monies that have come down it's time sensitive. So, now the County finds it's self without moving these projects forward on a quick pace that we potentially will be in a position of losing millions in federal funds, and that's why those positions are really critical.

Ideally, it would be wonderful if those get on the ballot and those measures pass, but we do know from past experience that when that measure has been on the ballot it has not been successful. So, that's why I bring up this issue in particular with the Salary Commission.

Chair Rainforth: Thank you. I didn't know that the issue was brought up to the voters before I've forgotten. It's a very interesting concept that Commissioner Crowell said and I can understand his comments, but it's got to come from the history of the County. I don't know when the charter was originally written before statehood or at statehood, but whenever it was the size of the County government was very small. When I came to work for the County in 1979 there were less than 300 people and I thought it was important then for the Water Department and Public Works to have an engineer because there weren't that many engineers on staff.

It's critical that someone in a department has an engineering degree so that read the plans from the consultant and understand what's right and what's wrong.

Mr. Crowell: Don't get me wrong.

Chair Rainforth: But you're right the boss doesn't need to have that credential.

Mr. Crowell: Yes.

Ms. Ching: You know that's the context where in the Water Department you have engineers and in Public Works you have engineers. Back in the day, which I remember as well there were not necessarily duplication of engineers within the Departments so I think that the context is important and I think time has moved on and it's what would be best for the Department and our County at this point.

Chair Rainforth: Okay, where do we go from here?

Mr. Crowell: Pat, are you to testify?

Pat: No.

Chair Rainforth: Okay.

Ms. Ching: Chair, you've been given a lot of information and I think ultimately what I'm hearing from the Commission is to take the year and really do a deep dive and look at whether you want to do allowances, if you want to do tiers, if you want to do multi-years, you'll have that as an option. So, in my mind, the next meeting is to decide which lane you want to go down. You could do a salary resolution only on allowances; that's a hypothetical, you could do that. You could do a salary resolution to address the engineering situation or you could do no resolution, or you could do anything permutation in between that. I think at the next meeting it would be good if, as a body, you can have more of a direction so you focus more, especially if you decide to put something forward.

Chair Rainforth: Well, I don't know if we need to decide which lane we want to go in. I still want to leave our options open. We have a very short time to prepare anything and I don't know if we have...I don't feel comfortable deciding if we want to move forward with a resolution for Fiscal Year 2020/2021 either. It seems like every meeting we have there's more options for us to look at.

So, I want to look at the information HR has provided to us and I want to think about the bonuses and allowances. I guess a question that I could have asked Janine Rapozo is do other counties have a more elaborate system of bonuses or allowances than Kaua'i County and do they look at other departments other than fire and police for those types of benefits? Do you think it's a worthwhile shot? I'm thinking that all of the counties are pretty much the same.

Ms. Ching: Yes and no. I have to go back and check, but I know at least two counties the Salary Commission makes the decision and it does not go to Council. So when you have that context I don't think they have to look at the allowances or bonuses because they set the maximum cap and it doesn't go to Council and it doesn't go to the Administration. The body is the final arbiter and decision maker and that in itself really changes things.

Chair Rainforth: But I think being a Commissioner myself, I can see the advantages of having bonuses and allowances versus a straight salary. I think they're both tools.

Ms. Ching: Yes. Absolutely.

Chair Rainforth: I've run out of things to talk about.

Ms. Kauai: I think that we need to digest this and at our next meeting make a decision how we should move forward.

Chair Rainforth: How many more weeks before our next meeting?

Mr. Crowell: Two weeks.

Ms. Ching: Chair, for the next meeting shall I ask the HR Director to be present for any questions that you guys may have after looking at the information?

Chair Rainforth: I don't know.

Ms. Kauai: Maybe just on call.

Ms. Ching: Okay.

Mr. Crowell: She may be busy because it's on a Wednesday. Isn't that Council day?

Ms. Ching: Yes. I can check. What about the Finance Director? Do you need more information from her? You're good.

Mr. Crowell: Yes.

ADJOURNMENT

Chair Rainforth: Is there a motion to adjourn?

Ms. Kauai: So moved.

Mr. Crowell: Second.

Chair Rainforth: All those in favor of the motion, please signify by saying aye. Opposed. Hearing none. The motion carries 4:0.

**On a motion made by Ms. Kauai and seconded by Mr. Crowell the motion to adjourn the meeting carried 4:0.**

At 10:06 a.m. the meeting adjourned.

Submitted by:

\_\_\_\_\_  
Mercedes Omo, Support Clerk

Approved by:

Approved as amended on December 4, 2019.

See the minutes of the Commission's \_\_\_\_\_ meeting.

\_\_\_\_\_  
Kenneth Rainforth, Chair