

**COUNTY OF KAUAI
SALARY COMMISSION
PIIKOI BUILDING, 4444 RICE STREET, SUITE 300
LIHUE, HAWAII 96766**

DRAFT MINUTES OF THE COMMISSION’S SECOND TELECONFERENCE MEETING
APRIL 28, 2021

ATTENDANCE

Chair Laurie Yoshida, Vice Chair Kenneth Rainforth and Commissioners Patrick Ono and Trinette Kauai.

Also, present Boards and Commissions Administrator Ellen Ching, Support Clerk Mercedes Omo and Deputy County Attorney Andrew Michaels.

MEETING CALLED TO ORDER

Chair Yoshida: All right, let us call the meeting to order it is 9:01 a.m.
This is the Salary Commission meeting Wednesday, April 28, 2021.

ROLL CALL

Chair Yoshida: May I have a roll call, please Mercedes.

Ms. Omo: Commissioner Kauai.

Ms. Kauai: Present.

Ms. Omo: Commissioner Ono.

Mr. Ono: Present.

Ms. Omo: Vice Chair Rainforth.

Vice Chair Rainforth: Present.

Ms. Omo: Chair Yoshida.

Chair Yoshida: Present.

Ms. Omo: Deputy County Attorney Andrew Michaels.

Mr. Michaels: Present.

Ms. Omo: We are waiting for Administrator Ching to log on, but you may go ahead Chair.

PUBLIC TESTIMONY

Chair Yoshida: All right. Is there any public testimony.

Ms. Omo: There is none, Chair.

APPROVAL OF MINUTES OF JANUARY 27, 2021 MEETING

Chair Yoshida: Okay, we are going to defer the approval of the minutes. Let us move on to item SC 2021-1.

BUSINESS

SC 2021-1 Discussion and decision-making on submitting a Salary Resolution to establish maximum salary caps for certain County officers and employees included in Section 3-2.1 of the Kauai County Code for Fiscal Year 2022/2023.

(a) Presentation by Commissioner Ono on individual salary caps for certain County officers of the different counties.

Chair Yoshida: I will now turn the floor over to Commissioner Ono.

Mr. Ono: Thank you. I would like to start by thanking Ellen and Mercedes for their assistance in the past few months to help coordinate the Kauai County Agency presentation for our Commission. It was very helpful. I would also like to extend our sincere appreciation to each director, chief, attorney, engineer, clerk and representative for the time it took to prepare and to present we appreciate it. Thank you all very much.

The bases of this quick presentation is a draft that I prepared by going through all of the presentations by each individual Department Head and agencies to provide some sort of a foundation for our review that summarizes all of the information to give us a base to move forward. Once completed it would allow our Commission to see specific details that were provided by each department or agency for a thoroughly review. Therefore, this is what I have put together, so we can move forward appropriately.

My offer in this presentation is based these five (5) basic pillars.

Pillar #1 - Historical structure of past the Salary Resolutions up to today

Pillar #2 - Current salary caps

Pillar #3 - Department or agency, which includes organizational charts, employees and bargaining units as well as some details relative to that side

Pillar #4 – Budget

Pillar #5 - Departments and agencies specific where we can add all of the individual details specific to each individual department and or agency

I know that Mercy was able to forward the spreadsheet over to the Commissioners and I was wondering if it made sense. If what was put together was helpful.

Chair Yoshida: Yes, it was very helpful.

Ms. Kaui: Yes. This is Commissioner Kaui. Thank you so much for doing that. I know that there are holes to fill, but this still is so awesome. So thank you for taking the time to put this together. I appreciate it.

Mr. Ono: Exactly what you are saying Commissioner Kaui. The pukas are the important part because it will give us the ability to focus on information that we need and it will allow us to keep moving forward rather than rehash what we do not have. Is there anything important that we should add to this, prior to our work that we need to follow-up? Do you think that we should add anything else?

Ms. Kaui: No, I think you covered many of the important things across the board like the different counties maximums, the number of employees and the budgets. I think you covered all of the bases. Thank you.

Mr. Ono: In laying this out...this is the bases of the initial presentation. It was just to go over the structure because we are going to apply the structure to each department and agencies. Then of course, the fifth pillar being the department and agency specific so it does not say we are going to put a blanket on all of our reviews and it is going to be the same standard. This will also give us some flexibility in specific analysis, so that was important for this first presentation.

Chair, do you think it would be appropriate for us to look at how we would move forward from this point.

Chair Yoshida: Sorry, I was having problems with my earphones, so I missed that last part.

Mr. Ono: What I mentioned was now that we have a structure our attention for the next meetings is to focus on a hand full of departments and agencies going forward. Just like how we did with the presentations by taking three or four department or agencies at a time and ask them for the information so we can fill in the pukas at our next meeting. Then we can have a discussion on the specifics for each department or agencies.

Chair Yoshida: I agree that we should focus on...I think there are 15 departments in all, so if we took four departments for each quarterly meeting...

Ms. Kaui: I have a question Chair. As far as filling in the information we do not have would that be something Human Resources could do for us.

Chair Yoshida: We could ask Mercedes or Andrew to ask each Department or HR if they could complete it for us or get the information to us because I do not know if we need to have the Director's come before us just to fill in these holes. I know they are busy people and I do not want them to come before us just too or we could send them the spreadsheet and ask them to fill in the holes for their Department.

Ms. Ching: Chair.

Chair Yoshida: Hi Ellen.

Ms. Ching: I apologize for – I was like three minutes late and you people were like boom, so I would like to apologize for that. As for getting the information if you would give us the specific item as to what you would like to focus on, we will work on getting that information. HR could give us the information and we could input the information into the spreadsheet that Commissioner Ono created. Then when the Commission meets, whatever information we receive from HR we will fill in the blanks. It is more of a perspective of giving us an idea on what focus you want, so that we can get the information for you by the next scheduled meeting.

Chair Yoshida: I am at a point that I think we need to update the information that is missing. I think we should concentrate on...I counted 15 tabs from the Mayor to Public Works. We would have to take four (4) Departments at a meeting or we could try to get the information first and then have a discussion once we have the information. Commissioners what are your feelings about that.

Ms. Kauai: Chair, I think that is a good way to progress. The salaries and the amount of employees is information they should have readily available including the budget. I might be wrong, but in some shape, we had that information beforehand, but with Commissioner's Ono spreadsheet, we would have to ability to look at the information all at once. Ellen do you think that is something HR would be able to complete.

Ms. Ching: I do not think it would difficult for HR to provide the information because in the past, whenever we ask HR for information they have always been responsible & accommodating. My only concern is from a perspective of what is efficient for this Commission because right now, the bargaining units are in the negotiations process. Say for example, three months from now, the Commission decides today that it wants to focus on the mayor, council, attorney, OED and finance and our office gets the information from HR and we input the information into the spreadsheet, and we move forward. By the time, we get to the last five (5) Departments the information our office received from HR for the first five (5) Departments could change and so from that perspective, I am a little concerned about how the Commission would move forward. At this point, you may want to consider looking into what year you actually would like to do a salary resolution keeping in mind the current financial situation and the political environment. If you look at it in that perspective and backward chain it, we could provide the most current information for all of the positions at one point in time. I think that might be a more productive process for the Commission.

Chair Yoshida: Do you mean we should look at whether or not we should entertain adjusting the salaries for fiscal year 2022/2023 since we decided not to submit a salary resolution for fiscal year 2021/2022. In addition, we should consider some of the legislative matters our state legislators are reviewing. I do not know if you realize what is happening at the legislator, there is a bill that passed by the Finance Committee that would take tourism tax revenue (transient accommodation tax) away from the counties. However, it would give the counties the ability to charge its own transient accommodation tax and if that happens it would change the entire scope of how the county gets money from the state. It is a significant amount of money; 14 million plus, which will affect the county's budget directly not to mention the economic strain the county

is facing and whether or not the federal government would provide more money or not. I think at this point, we are still up in the air when it comes to fiscal year 2022/2023.

Ms. Ching: Chair, I think you are right on the button. When I look at next year, it is iffy and a lot of it has to do with where the legislature is. If anything, I am thinking the year after is best given the information we have at this point, so the year after would be the best bet and more of a possibility.

Chair Yoshida: I think you are right because even if they do move forward with that legislation and the county moves forward we would not know what that would look like. Because as most of you know the 14 million was more than what the county actually collected, so we got more of our fair share of the TAT. So in order for the county to make the same amount it would have to charge more than the other counties in terms of our own TAT, which means our county would be the most expensive island in the chain. Then there is the balance in terms of how much the county should charge and is it a marketing thing to get more visitors to come to Kauai, which would pit county against county. We need to keep an eye on that because we do not know if it is going to pass.

Ms. Ching: The other thing I definitely believe is that 2022 being an election year there is no way council would even want to entertain or even see a salary resolution. Which is why I feel given everything the best bet for this group is 2023, and if we are going to gear-up for fiscal year 2023 we should really start to focus. Mercedes has a lot of experience doing this because when I first came on as the Administrator for the Salary Commission; Trinette has a great memory of this, they did a salary resolution and at that time I just started my job and it was like I was drinking water out of a firehouse. Miraculously, the Commission did an excellent job and that resolution passed. I am thinking 2023 would be the best – Mercedes did the Commission meet in September for that resolution.

Ms. Omo: I think they met in October.

Ms. Chair: Okay, I think ideally if the Commission is going to shoot for something in 2023 to start early because towards the ending we had to meet almost weekly.

Chair Yoshida: It would make sense to meet after, but...

Ms. Ching: I would say start in June or July.

Ms. Kaui: Chair, I have a question. Wouldn't the bargaining unit negotiations affect only the civil service positions because all of the other salaries are fixed which we control.

Ms. Ching: Yes.

Ms. Kaui: So it would be only for budgetary purposes.

Chair Yoshida: What about the other Commissioners - what are your feelings about waiting until 2023.

Mr. Ono: I have no problem with that. I heard what Ellen is saying about adjusting the current salaries, but what does not change is the maximums. Because we are talking about waiting until 2023, then my thoughts would if we are not going to focus on the current salaries, then our focus should on what the historic structures are, what kind of comparisons are we going to list for each department and agencies, and what department and agency specifically, should our focus be on. So when we are ready to get together and really put our feet deep into the sand – what would be the specific topics should we focus on the comparisons related to the mayors, governor and lieutenant governor and or state and federal comparisons. May be what we can do for this year, Chair, Ellen and Mercy is may be look at those pieces - what should we be looking so that we are prepared when we finally do jump in we will know what exactly we are trying to accomplish and the information we need.

Ms. Kaii: The things that do not change is the maximums so maybe we can leave out the variables and the ones that are fixed get that information now to get a head start.

Chair Yoshida: Vice Chair Rainforth do you have anything you would like to add.

Vice Chair Rainforth: Not really.

Chair Yoshida: Okay.

Vice Chair Rainforth: My one comment on Patrick's spreadsheet about getting the data is there a reason why we could not send individual sheets to each Department Head and ask them to have their staff fill in the missing information and send it back to the Commission. Wouldn't that be a quicker to get the data?

Chair Yoshida: Ellen and Mercy what your feelings about that.

Ms. Ching: It would be better to go through HR otherwise with the number of departments some would come in and we would be chasing the other departments.

Chair Yoshida: Okay, besides HR would have the more current information.

Vice Chair Rainforth: Plus, you would need a detailed instruction sheet for each Department to get the same criteria. Your right, there is many problems with that idea, so I understand. As far as waiting until 2023 to work on a possible salary resolution, I am good with that too.

Chair Yoshida: All right, so the next step is to send this to HR (no rush) to fill in the missing information and the ones that will change, we can let HR know not to put too much on effort on those because of collective bargaining and just wait after the negotiations are completed. Okay, let us move on to the next agenda item to discuss when our next meeting will be and what we are going to do. Commissioner Ono do you have more to present?

Mr. Ono: No, that was all, Chair Yoshida.

Chair Yoshida: Okay. Thank you so much Patrick that was a lot of work on your part to put this spreadsheet together. It makes it easier for all of us so I appreciate it.

Okay, the next item is SC 2021-4.

SC 2021-4 Discussion and decision-making on the next Salary Commission meeting.

Chair Yoshida: Commissioners, what are your thoughts about our next meeting should be and the amount of time we need to give HR considering the collective bargaining process, which could take long a few months or may be years. We do not have to necessarily wait for it but at the same time it would affect some of our decision-making right?

Ms. Ching: I would suggest pushing it to August because I believe by that time most of the unions would have already voted, but if we have one or two outstanding Chair, I will call you and discuss whether we should move on with an August meeting or delay it for another month. However, my best suggestion would be August and that would give HR ample time as well.

Chair Yoshida: Okay, we are looking at the last Wednesday, which is August 25.

Ms. Kauri: And then the budget should solidified for this year right?

Chair Yoshida: Yes, and we should know by then about the TAT.

Ms. Ching: Yes, and the other thing is the bargaining units typically – now they are going with two or three year contracts; somewhere around there, but least you will have stable information as to what that salary is going to be for at least two year, usually.

Chair Yoshida: Okay, we are looking at August 25, 2021 as our next meeting. Is everybody okay with that date?

Vice Chair Rainforth: Good for me.

Chair Yoshida: Same time at 9:00 a.m. I have another question. Are we missing Commissioners; where are we on that Ellen?

Ms. Ching: We are working on it. If any of you have suggestions, I would be more than happy to hear it.

Chair Yoshida: Okay.

Ms. Ching: I think you got a fantastic nucleus here and I want to make sure that the people who join you will like mind and like spirit.

Chair Yoshida: Okay, is there any more discussion, if not our next meeting is Wednesday, August 25, 2021. We will be on the lookout for those documents so let us see what HR can do

and if we have to postpone the meeting we can. I do not think we need to go into executive session at this time therefore, I declare this meeting adjourned.

At 9:30 a.m., the meeting adjourned.

Submitted by:
Mercedes R. Omo Support Clerk

Approved as circulated on:
Approved as amended on:

Laurie Yoshida Chair Kauai Salary Commission