

**SALARY COMMISSION
MINUTES
OFFICE OF THE MAYOR
KALANA O MAUI, 9TH FLOOR, MAYOR'S CONFERENCE ROOM
Friday, January 10, 2020**

Present:

Kelly Swanson, Chair
Clark Abbott, Vice-Chair
Paul Kailiponi
Stanford Lantias
Dawnalyn Fujiwara
Peter Martin
Scott Parker
Wallace Tom

Excused:

Vernon Oato

Staff:

Gladys Baisa, Community Liaison
Cynthia Razo-Porter, Deputy Director, Personnel Services
Edward Kushi, First Deputy Corporation Counsel
Sherilyn Otsubo, Administrative Assistant

1. Call to Order/Roll Call

The meeting was called to order by Chair Swanson at 8:30 a.m. and roll call confirmed a quorum of eight members in attendance (Chair Swanson, Vice-Chair Abbott, and Commissioners Parker, Martin, Kailiponi, Fujiwara, Tom and Lantias). Commissioner Oato was excused.

2. Public Testimony

Kyle Ginoza spoke as a private citizen. Asking that the commission consider the Council's salaries now, prior to the election. It's a hard decision to figure out how the salaries factor into what kind of candidates we get and how content they are doing their job, which is very thankless. If salaries are set now, candidate know what they are getting into and maybe more people will get involved and engaged.

3. Approval of the Minutes of the December 13, 2019 Meeting

Vice-Chair Abbott moved to approve the minutes and Commissioner Kailiponi seconded the motion. The motion passed unanimously.

4. Presentation by Council Chair Relating to the Confirmation Process of Department Directors

Chair Lee advocated for the Council members to receive an increase in salary.

Regarding the confirmation process, Chair Lee said that they have no control over the individuals and the questions they are going to ask. Being the first year for this process, it was very difficult for many of the candidates. Personally she felt that some members went overboard and some questions were irrelevant. Chair Lee said that the pool of good candidates shrunk after what occurred. It makes it difficult for people to run for office, be a director and even volunteer for Boards and Commissions because you're so exposed. Therefore, she feels strongly that this should be taken into consideration when salaries for the directors are discussed.

Commissioner Parker asked if Chair Lee thought we are unique in the sense of what a cabinet level position in the Senate or Federal government member would go through in a vetting process?

Chair Lee said that we are not unique, but we're all human beings. You can't compare us to the State or Federal government. We are a tri-isle county.

Commissioner Kailiponi stated that the reason why he asked for the Chair to come before the Commission was from testimony from numerous Directors stating that this process was humiliating and degrading. Being the Salary Commission, one of their duties is to attract people through salaries and it is a direct relation to commission members to find the appropriate level of compensation.

Chair Lee stated that she would try to convince the other members to conduct themselves more professionally, ask relevant questions and be more respectful, but she is not their boss.

Commissioner Martin asked that due to the confirmation process, if the salaries are increased, would that help to attract more people?

Chair Lee said yes.

5. Correspondence

- a. Letter from Nane Aluli, Chair, Liquor Commission, regarding Director and Deputy Director salaries for the Department of Liquor Control.

6. Discuss Charter Amendment Proposal Regarding Compensation for a County Manager Position.

Commissioner Kailiponi introduced this item and gave an overview. Councilmember Kelly King submitted this proposal to create a County Manager position. The salary of this County Manager falls in the hands of the Salary Commission. Discussion from Mark Hyde suggested that the salary should be set by the Council.

Chair Swanson said that although the Salary Commission has no control over who would be setting the salary for the County Manager, it's good to be aware of this.

7. Review and Discuss Information Requested at the December 13, 2019 Meeting.

Commissioner Kailiponi suggested that the commission divide the departments by those that see significant inversions and those that don't.

Deputy Director Razo-Porter clarified that the 22% to the ERS benefits the ERS system, not the employee. It's a long term benefit.

Commissioner Kailiponi mentioned that the Council member's budget is what they are given annually to run their office, mostly to pay their staff. This amount is set by the budget.

The projected collective bargaining increases shows the rank and file employees.

8. Deliberation and Possible Action on Salaries for Department Directors and Deputies, the County Auditor, and the Mayor.

Chair Swanson said that we have all the information that was requested from all the departments. In the past, everyone except the Council, got a 3% increase across the board. Ideally, she wants to find long term solutions to the salaries rates.

Commissioner Lanas brought up a "term raise" for Councilmembers where they get a raise if they are re-elected.

Commissioner Lanas made a motion to amend agenda item 8 to include Council members and Council Chair. Seconded by Commissioner Martin for discussion. Motion passed unanimously.

Commissioner Martin thought about giving the Council members little or no salary until he spoke with some Council members who disagreed with that thought. He believes that one of his projects may have been voted down because of this. His thought is that their salaries should be negotiated. He also asked for thoughts on a better way to get people interested in running for council.

Commissioner Parker stated that we should see if Council members should get an increase. They are already the highest paid in the state. We will have to justify why they are getting paid more than their counterparts.

Commissioner Kailiponi made a motion that for the Liquor Control Department, we don't give them any salary increase, except if there is an across the board percentage increase. Seconded by Commissioner Martin.

Commissioner Kailiponi said that the letter from the Chair of the Liquor Commission states that they are not interested in an increase, the inversion report shows no inversion within the department, and the difference between the Director and Deputy and their highest base pay is \$50,000.

Commissioner Parker it may be premature to make a decision without hearing what any projected increases would be.

Chair Swanson called for the vote. 5 ayes and 2 nos. Motion passes.

Deputy Corporation Counsel Kushi clarified that the motion that just passed does not preclude the commission from giving across the board increases. If across the board increases are given, he urges that the Department of Liquor Control is re-visited.

Commissioner Tom asked if Chair Aluli is speaking on behalf of himself or the entire Liquor Commission in his letter.

Commissioner Martin made a motion to increase the salary of the Planning Director from \$134,000 to \$180,000, plus the cost of living adjustments. Commissioner Kailiponi seconded the motion for discussion.

Commissioner Martin stated that you get what you pay for so paying more would attract good people.

Commissioner Parker said that also adding the 82.6% for fringe benefits to the base salary would give a total amount of \$320,000, which would be the true cost to the county.

Commissioner Kailiponi mentioned that the Planning Department has had substantive changes to their duties. Scrutiny of the Director is also high for this department and he believes there should be an increase. He made an amendment to the motion to decrease the increase to 20%, or \$161,584.80. Commissioner Martin seconded.

Commissioner Tom said that it's still too much of an increase.

Chair Swanson would like to see the numbers come from a more concrete place.

Commissioner Parker would like to start at 2% to start, but he would like to see tax and revenue analysis first, and how that 2% would impact all departments.

Chair Swanson called for the vote on the amendment and the vote was 1 aye 6 nos.

The original motion had no more discussion and the vote was 1 aye 6 nos.

9. Agenda Setting for Next Meeting

- a. County budget and budget projections
- b. Deliberation to include Council Chair and members
- c. Commission on Salaries-Report and Recommendations to the 2019 Legislature Report

10. Schedule Next Meeting

The next meeting is scheduled for February 14, 2020 at 8:30 a.m. in the Mayor's Conference Room.

Chair Swanson mentioned that the second Friday in April is a holiday so keep in mind that the meeting will need to be rescheduled.

11. Adjournment

The meeting adjourned at 10:22 a.m.