

**SALARY COMMISSION  
MINUTES  
November 12, 2021  
Meeting Site: Online via Blue Jeans**

**1. Call to Order/Roll Call**

The meeting was called to order by Chair Abbott at 8:33 a.m.

**Present:**

Clark Abbott, Chair  
Tambara Garrick  
Grant Nakama  
Scott Parker  
Edwin Misaki  
Peter Martin  
Andrew Ho  
Stanford Lantias

**Excused:**

Dawnalyn Fujiwara, Vice-Chair

**Staff:**

Gary Murai, Deputy Corporation Counsel  
Christie Trenholme, Deputy Corporation Counsel  
Stacy Takahashi, Administrative Officer  
Rochelle Ines, Secretary  
LeeAnn Nomura Matsui, Secretary

**2. Public Testimony**

Prosecuting Attorney Andrew Martin provided testimony regarding Agenda Item #4.

Commissioner Ho sympathized with the difficulty for the County to compete with salary compensation that is comparable to the opportunities on the mainland. Adding to that, the cost of living in Hawaii versus the mainland. Asked if there was an algorithm that would consider the size of the community, salary compensation, cost of living, etc.

Asked for any recommendations on how to bridge the salary compensation gap that would be applicable throughout the various County departments.

Prosecuting Attorney Martin – Not aware of any algorithm. The size of the municipality, the population size that served by the municipality, the cost of living, median housing prices are all considerations when discussing compensation. It not only goes to comparing apples to apples in terms of workloads but also tax based. Those are three of the key factors that needs to be considered. The discussion regarding salary compensation is not limited to government only. It's a problem in private industry as well.

**3. Approval of the Minutes**

The minutes of October 8, 2021, was deferred to the December 2021 meeting.

**4. FY 2022 salary reviews for the Mayor, County Council Members, Department Directors, Department Deputy Directors, and the County Auditor.**

**a. Department of Transportation (DOT) Director Marc Takamori**

Director Takamori submitted a slideshow presentation which was emailed to the Commissioners in advance.

Per Section 8-14.2 of the 2021 Charter of the County of Maui, the Director of Transportation shall:

- Be the administrative head of the DOT;
- Be responsible for the planning and implementation of all modes of transportation in Maui County, including those in the air and those on water and land;
- Be responsible for planning and developing an efficient program to facilitate the rapid, safe, and economical movement of people and goods in Maui County;
- Coordinate Maui County's transportation programs with other County departments and with agencies of the state and federal government; and
- Perform such other duties and functions as shall be assigned by the Mayor.

**DOT Budget and Program Overview:**

- Administers an approximate \$23 million-dollar budget;
- Operate with a staff of seven people which includes the Director and Deputy;
- Operates a seven day a week operation from 5:30 am to 11:00 pm;
- Requires about 200 employees (between contractors Roberts Hawaii and Maui Economic Opportunity) to maintain the 150-bus fleet and to operate these five programs:
  - The Maui Bus fixed route;
  - The Maui Bus ADA paratransit;
  - The Maui Bus commuter service;
  - Human Services Transportation; and
  - Air Ambulance program.

The department is administratively tied to the Maui Metropolitan Planning Organization (MPO). The Maui MPO has two employees who are grant funded under this department. While they are employees work under the department, they are not included in the seven employees mentioned earlier. The DOT Director currently serves as the Vice-Chair of the Maui MPO policy board and works closely with its Chair and Executive Director.

The Transportation Department's funding sources are:

- General Fund

- Administration Program - Department salaries and operations budget and the MEO Vehicle Replacement Grant.
- Human Services Transportation Program - Specialized transportation services provided by MEO to riders throughout Maui County which includes: Senior, Youth, Dialysis, Easter Seals, Maui Adult Day Care transportation.
- Air Ambulance Program - State Department of Health – Medivac Helicopter Program.
- Highway Fund
  - Administration Program - Matching funds for bus and bus related equipment and Maui MPO's annual dues.
  - Public Transit Program – 14 Fixed Routes.
  - ADA Paratransit Service - Complementary service to ADA qualified passengers who resides within  $\frac{3}{4}$  miles of the fixed route.
  - Commuter Service - 4 routes.
  - Bus Stop Shelters - Maintenance and cleaning.
  - Public Transit Program - FTA rural and urban funding with State and Federal oversight and additional audits, reviews and reporting requirements and Comprehensive Operational Analysis Review requirements.
  - Capital Improvement Program – Includes the Bus Stops and Shelter program and Transit Hub projects.

Future Plans:

- Park Maui - A Parking Management Program.
  - The Wailuku Parking Garage currently under construction made development of this program necessary.
  - Operations and contract oversight.
  - The Wailuku Additional staffing required.
  - Working with Department of Management to create and set up program to oversee paid parking.
  - DOT with implement and perform ongoing oversight.
  - Additional staffing required upon program's implementation.
- Maui Bus Expansion Plans.
  - Maintenance Facility and Baseyard. Federal funds will be applied for.
  - Additional transit hubs to be added.
  - Collaborate with Planning Department, DPW, Parks & Recreation, DHHC, and State DOT regarding the TOD corridor studies.

The Department also participates in various transportation studies with the Department of Public Works and the State DOT.

During emergency events, the Director and Deputy Director staff the Maui Emergency Operations Center (MEMA) and coordinate transportation related movements with its human service branch leader. Additionally, attend Maui County Council and various Council Committee meetings, Commission meetings, and community meetings, throughout the year.

Chair Abbott thanked Director Takamori for his presentation.

### **Q&A**

Commissioner Ho asked for a comparison of duties and responsibilities versus the counterparts in the other jurisdictions in Hawaii.

Director Takamori responded that each County handles their public transportation differently. Maui County is most similar to the City and County of Honolulu since we both own the vehicles but the operations and maintenance are contracted out. County of Kauai handles everything in-house. Hawaii County does maintenance in-house, but their drivers and operations are contracted out. Our salaries are lower than City & County of Honolulu due to the larger scale of their operations and higher population and ridership. Our ridership is much higher in ridership than Kauai County and Hawaii County. All neighbor island Transportation Directors are paid within a range.

### **b. Department of Finance Director Scott Teruya**

Director Teruya submitted a slideshow presentation which was emailed to the Commissioners in advance.

The last presentation by the Finance Department in August 2021. The Finance Department in FY 2020 had 177 personnel. FY 2022 added six new positions with additional duties and programs added to the Administration Program.

The Department of Finance has six programs.

1. The Administration Program
  - a. FY21 Land Management Section
  - b. FY22 Transient Accommodations Tax Section
  - c. FY22 American Rescue Plan Act Section
2. Treasury Program
3. Accounts Program
4. Purchasing Program
5. Motor Vehicles & Licensing
6. Real Property Assessment

### **Finance Director: Powers, Duties and Functions**

Over the last several years, general obligation bonds were floated at historically low interest rates, which saved the tax payers money for many of our CIP projects. In August 2020, they floated around \$74,000,000 with an interest rate of 1.99% and this past August they floated \$85,000,000 for an interest rate of 1.74%.

- Maui County Code Chapter 4, Section 8-4.3:
  1. Prepares bills for the County, or authorizes other departments.
  2. Collect and receive moneys or receivables and issues receipts for the County, or authorizes other departments
  3. Keep records of receipts and disbursements.

4. Maintain and manage treasury and deposit moneys.
5. Contract for services of independent contractors, including contractors for public works and county physicians, and permit disbursements.
6. Issues and sells, pays interest on and redeem bonds.
7. Prepare and issues warrants and checks.
8. Prepare payrolls and pension rolls.
9. Sells real property that are delinquent and dispose real property or personal property not needed by any department.
10. Rents or leases County property and award concessions.
11. Prepares and maintains a perpetual inventory of all lands and equipment or other personally owned, leased, rented, or controlled by the County.
12. Reviews assessment rolls for assessable public improvements.
13. Have custody of all official's surety bonds, except for the Director of Finance.
14. Submits quarterly reports of revenues and expenditures to the Council through the Mayor.
15. Administers real property taxation function of the County.
16. Perform other duties and functions as assigned by the Mayor.

Per Article 1, Section 7-6 of the 2021 Charter of the County of Maui, states in part, "If there is no Managing Director or if the Managing Director is unable to act, the Finance Director shall act as Mayor. In the event of the temporary absence of the Mayor from the County, or temporary leave, the Mayor may designate the Managing Director or, in the Managing Director's absence or unavailability, the finance director to act as Mayor."

**Significant Tasks Added Under the Director of Finance:**

1. In 2020, the Director of Finance was charged with the Administration of \$67,000,000 in funding from the CARES Act.
2. Administration of \$50,000,000 in funding from American Rescue Plan Act (ARPA) for Coronavirus State & Local Fiscal Recovery Funds.
3. Creation of a new County Transient Accommodations Tax office for the collection of TAT, effective November 1, 2021, which collection begins on December 20, 2021. Based on statistics provided by the State Department of Taxation, it is estimated that Maui County will be collecting between \$45-75,000,000 per year.
4. A Land Management Section was created under the Director's office. Two additional positions were added this past fiscal year. Plans include expanding this program which include how County lands will be managed and maintained.
5. Creation of a Federal Grants Section to handle the ARPA program and the funding through 2026.

**Staffing Expansion Needs:**

1. Property Manager – 2 new positions (Property Manager & Senior Acct. Clerk).
2. TAT Program – 4 new positions (Revenue Manager, Tax Accounting Technician, 2 Account Clerk III).
3. Grants Manager – Will be handling all of the ARPA funds.

FY20 Organization Chart of the Directors Office: 5/26/20 (*refer to presentation emailed*)

Prior to the expansion

FY22 Proposed Organization Chart of the Directors Office (*refer to presentation emailed*)

### **Treasury Program**

Responsible for Cash, Banking, Investment & Debt, Service Management Section, Accounts Receivables & Tax Relief Section.

Operations: Treasury Chart (Certified Revenue for Budget History) (*refer to presentation emailed*)

The last 11 fiscal years and the revenue collected related only to the Real Property Tax Program. The Treasury Program has the ability to collect other county bills that the Deputy Director could explain.

More 24-hour kiosks and online payments are additional future expansion plans.

There you see on FY22 about \$375,000,000 to be collected.

(*refer to presentation*)

Since FY2015, interest earned every are increasing and for the last several fiscal years a third-party consultant is handling investments and this fiscal year projected interest collection is estimated to be \$6,100,000.

### **Accounts Program**

Responsible for: Fiscal Section, Inventory and Claims Section, Payroll Section, and General Ledger Section.

### **Purchasing**

The Purchasing section will be expanding with another position as they will be charged with inventory control of all PPE for the County moving forward.

**Division of Motor Vehicles & Licensing (DMVL)**

Responsible for: Issuance of new and renewal driver licenses, State IDs, motor vehicle registrations, various business licenses, disabled parking placards, taxi driver permits, and dog and bicycle licenses.

It's a large program. The City and County of Honolulu's DMVL is under a Customer Service Section.

Act 5 was passed last Legislative Session requiring all dogs and cats over the age of three months to be microchipped. There will be County Legislation soon. Kauai County has legislation effective as early as January 1, 2022, and this might become a challenge for them.

Service Locations throughout the County: Central Maui, Lahaina, Kihei, Pukalani, Hana, Molokai, and Lanai.

In Central Maui, for about three months now they have opened two Saturdays a month, by appointment only to address a lot of the backlog issues due to COVID.

**Registered Motor Vehicles as of 6/30/2021**

*(refer to presentation emailed)*

Fire, Police, disabled veterans, farm vehicles, and National Guard vehicles are exempt from State and County weight taxes.

**Fiscal Year 2021 Driver License Transactions**

*(refer to presentation)*

**Real Property Assessment Program**

Responsible for: Geographic Information Systems (GIS), Assessments, Compliance and Enforcement.

**Property Technical Section**

Responsible for: Appraisal and assessments of all real properties, Updates ownership records, administers various exemption programs, Maintains the County's GIS base maps, and establishes Tax Map Keys (TMK) for parcels designated on the GIS maps

Two (2) service locations: Central Maui and Molokai.

**Certified Value for Tax Rate Purposes**

Over the last ten years, assessments have been rising in Maui County. The rise is not due to only new inventory but existing properties. The rising values peaked at around \$54,800,000,000 last year, but slightly lower in FY22 due to the COVID pandemic. *(refer to presentation emailed)*

**Maui County Revenue Sources- FY 2021-2022 Budget**

The Real Property Tax accounts for over 45% of the county revenue source. The Finance Department starts its first TAT collection on December 20, 2021. *(refer to presentation emailed)*

**Real Property Tax Operations**

Number of revenue per available staff member at real property tax. *(refer to presentation emailed)*

**Budget Overview – Operating Expenditures**

Over the last four years, other costs in 2021 increased drastically as a result of COVID. The other costs are normally around \$1,000,000 annually increased to \$11,000,000. The additional \$10,000,000 was COVID related. *(refer to presentation emailed)*

**Budget Overview – Countywide Expenditures**

The Finance Department also oversees the Countywide expenses. *(refer to presentation emailed)*

Directors budgeted with salaries are by rank. This information was previously provided in 2020.

Department Comparison FY2020 *(refer to presentation emailed)*

Department Comparison FY2022 – Current updated figures. *(refer to presentation emailed)*

The Finance Department increased 6 E/P to 182.8

Chair Abbott thanked Director Teruya for his presentation.

**Q&A**

Commissioner Ho: Asked Director Teruya for a comparison with the other Finance Directors in the other county jurisdictions. Where does Maui County fall in rank regarding salaries.

Director Teruya: An analysis is difficult. There are many variables to consider such as the size of the jurisdiction and divisions under the Finance Department. The Division of Motor Vehicles and Registration is not under the Finance Department for the City and County of Honolulu. The Counties of Kauai and Hawaii don't have a Land Division. Directors and Deputy Directors aren't paid overtime like rank and file employees which could boost their salaries higher than the director or deputy director that they serve under.



**c. Department of Personnel Services Director David Underwood**

Director Underwood submitted a slideshow presentation which was emailed to the Commissioners in advance. Deputy Director of Personnel Services was also on the line.

**Mission Statement:** To contribute to the attainment of countywide goals by attracting, developing and retaining a professional work force, and by contributing to the establishment of the best possible work environment.

**Responsibilities:**

- Central personnel agency for the County that was established by state statute (HRS Chapter 76) as well as the Maui County Charter Chapter 9. The Director is appointed by Civil Service Commission and is not subject to Council approval.
- County's Human Resources Program, including compliance with a wide variety of Federal, State, and County employment laws.
- Acts as the County's representative at statewide union negotiations.
- Create employment policies and civil service rules having the force and effect of Law, etc.

**Operations:**

Five major functional areas:

1. Recruitment and selection – provides fair and consistent recruitment and examination services to county departments, employees and job applicants.
2. Employee training and development – promotes and fosters individual and organizational effectiveness by developing and offering an array of programs in support of employee development.
3. Position classification – provides and monitors a competitive and equitable compensation system and maintains a standardized classification plan.
4. Labor relations – provides guidance, training and recommendations on labor issues, helps resolve complaints; and negotiates timely and fiscally responsible agreements.
5. Strategic support – provides strategic and staff support to County departments, including advising and counseling on human resource issues, analysis and reporting, and Human Resource Systems and support services.

**Budget and Staff:**

Total Budget: \$1,889,383  
Salaries: \$1,386,043  
Premium Pay: \$13,000  
Operations: \$482,540  
Equipment: \$7,800

20 equivalent personnel (EP) authorized:

Director  
Deputy Director  
Private Secretary

13 Human Resource Specialists and Human Resource Technicians.

**The County's Employee Population**

- Approximately 2,600 employees
- 86% unionized
- 87% covered by civil service
- 9% annual turnover rate
- Approximately 150,000 employee transactions are processed annually including several hundred recruitments, position classifications, grievances and appeals, and about 7,000 training classes.

**Staffing/Budget Benchmarks**

HR to employee ratio: 0.7 per 100 employees

HR Budget as percentage of total operating budget: 0.2%

HR Budget as cost per employee: \$753

**Salaries – Other Jurisdictions in Hawaii**

Current annual salary of the director is \$133,964. Other jurisdictions in Hawaii are as follows:

State of Hawaii: \$154,812

City & County of Honolulu: \$166,560

County of Hawaii: \$128,628

County of Kauai: \$123,318

**Salaries – Hawaii in General**

The following is based on the Hawaii Employers Council's 2019 Salary Survey for Chief Human Resource Officer positions:

- The average base pay for Chief Human Resources Officer positions for all 33 companies in the survey was \$176,262. 13 of those companies also offered bonuses, with an average total cash compensation of \$273,698.
- There were 14 companies with more than 1,000 employees. The average base pay was \$194,260. Of those, 5 companies also offered bonuses, with an average total cash compensation of \$372,657.
- For the 18 companies with revenues and operating budgets in excess of \$150,000,000, the average base pay was \$201,552. Of those, 7 companies offered bonuses, with an average total cash compensation of \$330,284.
- The average salary for public sector positions was \$141,183

Past Commissions were provided with this type of data. DPS does not currently have any salary inversions. Most of our very senior personnel who would be in danger of salary inversion have retired recently. There is room to promote from within at the current salary, but if we wanted to go out and recruit an experienced Chief Human Resources Officer (CHRO) in Hawaii, Maui County would not be competitive.

Director positions can be difficult as these are 24/7 positions and subject to frequent competing demands from various constituencies. The Administration may view a matter one way, the Council may view the same matter differently, the unions will have a different perspective, and the public may have more than one perspective.

### **Salaries of Rank and File Employees**

Negotiations between the employers and unions may involve comparison with subordinates and other public employees. Information such as the background on how salary increases are determined for rank and file public employees in Hawaii are provided. The majority of employees are covered by collective bargaining agreements negotiated with the various unions. Salary adjustments are negotiated with the applicable union or are determined by an outside neutral arbitrator. Salary adjustments for employees who are not covered by collective bargaining typically follow those of union employees.

A brief overview of how salaries of rank and file employees followed. Department Directors supervisors oversee a large number of rank and file employees. Approximately 86% of county employees are covered under union contracts. Generally, all county salaries are determined by negotiation with the public employer unions. Employer representatives sit with union negotiators to try and come to an amicable agreement regarding any salary increases. If no agreement is reached, an outside neutral arbitrator is brought in and will hear the arguments from both sides to determine what salaries if any will be awarded. The arbitrator's decision is final and binding. This process is very similar to how the Salary Commission determines the raises for Directors and Deputy Directors.

### **How Arbitrators Determine Salary Adjustments**

By statute, arbitrators are required to consider the lawful authority of the employer, including the ability of the employer to use special funds only for authorized purposes or under specific circumstances because of limitations imposed by any federal or state laws or county ordinances.

Stipulations of the parties:

- The interests and welfare of the public;
- The financial ability of the employer to meet these costs provided that the employer's ability to fund cost items shall not be predicated on the premise that the employer may increase or impose new taxes, fees, or charges, or develop other sources of revenues;
- The present and future general economic condition of the counties and the State;
- The comparison of wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours, and conditions of employment of other persons performing similar services, and of other state and county employees in Hawaii;
- The average consumer prices for goods or services, commonly known as cost of living;
- The overall compensation presently received by the employees, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received;
- Noting any changes in any of the foregoing circumstances during the arbitration proceedings; and

- Consideration of other factors which are normally or traditionally taken into consideration in the determination of wages, hours, and conditions of employment through voluntary collective bargaining, mediation, arbitration, or otherwise between the parties, in the public service or in private employment.

**Increases for Rank and File Employees**

**Fiscal Year 2022 (July 2021 – June 2022):**

BU01 (Blue Collar Non-Supervisory), BU02 (Blue Collar Supervisory), BU03 (White Collar Non-Supervisory), BU04 (White Collar Supervisory), BU13 (Professional/Scientific): 0% increases this year for these five bargaining units. These were negotiated a year ago, right in the middle of the pandemic where there was a lot of uncertainty, so the unions agreed to no increases for this year.

BU11 (Fire Fighters), BU12 (Police), BU15 (Ocean Safety): To determined (Still being negotiated).

**Fiscal Year 2023 (July 2022 – June 2023):**

To be determined (still being negotiated.)

Chair Abbott thanked Director Underwood for his presentation.

**Q&A:**

Commissioner Ho: Based on the presentation, the salaries for Human Resources Directors in the private sector are a lot higher. Asked for factors that account for the differences in salaries between the county jurisdictions and generally for all county directors.

Director Underwood: Some factors include the size of the organization and their functions. Functions can also be centralized or distributed by areas or districts. Examination into what does the organization looks like, what they do, and what are they responsible for must be done in order to a more detailed response.

Commissioner Ho: That was a difficult question but it offered this body the opportunity to ask the Directors for their opinions on what would be fair compensation.

Director Underwood: A typical business would build a compensation plan in order to achieve their business goals and develop a plan to achieve these goals. If you're Walmart, your business model is to keep labor cost as low as possible, keep your cost and prices low, and they tend to pay lower salaries. If you're Costco their compensation philosophy is different. They pay their employees more to make their customers happy, and the company and its employees do better in the long run. There is no one philosophy or methodology that can be applied across the board.

#### **d. Department of Parks and Recreation Director Karla Peters**

Director Peters submitted a slideshow presentation which was emailed to the Commissioners in advance.

##### **Mission Statement**

To provide safe, satisfying and cost-effective recreational opportunities for the residents of and visitors to Maui County.

The Department's Directors roles, responsibilities and qualifications are in Chapter 6 of the Charter of the County of Maui.

##### **Programs**

###### **Administration Program – 41 Positions**

- Grants Management Section
- Master Planning
- Safety Section
- Permits & Enforcement Section

###### **Parks Program – 72 Positions**

- Maintenance Administration Section
  - Provides staffing and clerical support for the Arborist Committee.
  - Responsible for turf and greenways management, tree maintenance in parks, repair and maintenance projects, repair of ground maintenance equipment, pool pumps and heavy equipment operations, and the Waiehu Municipal Golf Course.
- Beautification Section
- Construction Maintenance Section
- Planning & Development Division
  - Includes the Chief of Planning and Development, Secretary, CIP Coordinators, and Civil Engineer IV.
  - Initiates, schedules and implements the Department's Capital Improvement Program (CIP).
  - Responsible for all planning, land acquisition, budgeting, design, permitting, construction, and management of all Department CIP projects.
  - Reviews all new subdivision and building permit applications and residential development projects for compliance with Maui County Code 18.16.320.
  - Works with developments on land dedication for park purposes to ensure optimum location and adequate acreage of park space is provided.

###### **Recreation & Support Services Program – 319 Positions**

- Largest Program
- Six (6) Recreation Districts
- Play & Learn Sessions (PALS)
- Pools Section

**Overview of Responsibilities**

2,586 Acres of Developed Park Lands	159 Parks
130 Playing Fields	22 Community Centers
10 Gymnasiums	22 Playgrounds
3 Campsites	24 Beach Parks
31 Outdoor Courts	47 Tennis Course
6 Skate Parks	1 Municipal Golf Course

**FY 2022 Budget Summary from the General Fund:**

Administration Program \$2,862,286  
Parks Program \$7,508,043  
Recreation & Support Services Program \$25,568,120  
Total \$35,938,449

**Administration Program**

Department Employees 432  
Bargaining Units 1, 2, 3, 4, 13 and Excluded Managerial  
Comprised of the Director's Office, Administration Staff, Safety and Training Section, Grants Management, Master Planning and Parks Permit & Enforcement Section.

**Safety & Training Section Operational Update**

- The Specialist is in charge of all of their safety for employees. During the last 20 challenging months, the emphasis was on monitoring of our personal protective equipment (PPE) needed to keep all of our employees safe during the pandemic.
- Implementation of Department Safety Committee.
- Discuss items from Risk Management Steering Committee.
- Review of incidents and discuss preventative measures.
- Goal is to change from reactive to proactive in addressing safety at work sites.
  - Training Provided
  - Scaffolding Building Safety
  - Coronavirus Transmission and Prevention
  - Personal Protective Equipment (PPE)
  - Heat Stress Management
  - Hazard Communication (HAZCOM)
  - Mower Safety Training
  - Electrical Safety Training
  - Housekeeping Safety Training
  - Ongoing monitoring of PPEs, base yards, and safety needs of all Department staff.

**Leases and Licenses**

There is one employee who handles over 30 leases and licenses, the management and leasing of County property, and grants management.

**Master Plan Update**

- One Planner and six total staff. Conducting a beach park vulnerability study to assess the vulnerability of 65 county beach parks. (*refer to presentation emailed*)

### **Permits & Enforcement Operational Update**

- Includes permitting and enforcement for all properties under the control and management of the department.
- Operation is governed by the Maui County Codes and administrative rules.
- Review and monitoring of up to 10,000 permits issued annually.
- In process of development new software with selected vendor for permitting and activities to meet customer needs and county requirements.
- Ongoing work with league organizers adjusting facility use permits as public health standards continue to evolve.
- Continuing recruitment efforts to fill permit office vacancies that impact daily operations.
- Park Security Officers continue to provide education and code enforcement in parks and facilities, working closely with MPD. Monitors the Commercial Ocean Recreational Activities (CORA) permits.
- Actively recruiting to fill few vacant security and enforcement positions. The department is currently operating with its highest number of staff in program history.
- Continuing to monitor parks and facilities, working with district staff, through all versions of the County's Public Health Emergency Rules.

### **FY 2022 Parks Program**

#### **Maintenance Division – Waiehu Municipal Golf Course Operational Update**

- Greens Renovations.
- New Reservations Software System in its final process.
- Renovated makai side of restaurant in anticipation of a new food and beverage concession.
- Master Plan for the new clubhouse in progress with consultant team working on 2 design options.

### **FY 2022 CIP Budget Summary based on the Council Adopted Budget**

#### Capital Improvement Project Appropriation:

- General Fund \$6,155,000
- Park Assessment \$950,000
- General Obligation Bond \$25,425,000
- Total \$32,530,000

### **Capital Improvement Projects – Projects Updates**

- War Memorial Gym Building Improvements.
- Iron Maehara Baseball Stadium Improvements.
- Phase 2 of the Old Hana School Improvements.
- Kepaniwai Heritage Gardens Hawaiian Hale Improvements.

- Velma McWayne Santos Community Center Improvements.

### **Recreation and Support Services Program – Operational Update**

- Healthy Outdoor Recreation
- Refreshing Recreation
- PALS Keiki Kare Program
- Mask Up with Recreation
- Pride in our Parks

### **Maui Emergency Management Agency - Human Services Branch**

- Works with the DOE and Red Cross in providing emergency shelters during major emergencies and disasters.
- Director and Deputy Director of Parks and Recreation are called upon activation of the Emergency Operations Center (EOC).

### **Department Challenges**

- COVID-19 Pandemic Response and Effects
  - They work hard to keep all the employees safe and healthy as well as the community. Provided active recreation and virtual recreation.
- Meeting Recreational Needs of the Community
  - The County parks play a vital role in the community. Funding has been a challenge.
- Climate Change and Sea Level Rise
  - Evidenced at Baldwin Beach Park in which part of the pavilion suffered substantial damage due to the coastal erosion.
- Deferred Facility Maintenance

Chair Abbott thanked Director Peters for her presentation.

### **e. Department of the Corporation Counsel Corporation Counsel Moana Lutey**

Corporation Counsel Lutey submitted a slideshow presentation which was emailed to the Commissioners in advance.

Corporation Counsel Lutey introduced her First Deputy Richelle Thomson.

The last presentation occurred in 2019 and did not provide background information regarding equivalent pay at that time. A memo was forwarded to the Commission members documenting their recent research, analysis, and comparative salaries to show what distinguishes the attorneys for the county with other department heads. All attorneys employed by government must not only attend and graduate from law school, but must be licensed to practice law in the State of Hawaii. No disrespect for the other Departmental Directors but the attorneys must possess higher level of educational requirements for this type of job.

### **Department Organization Chart**



The Department of Corporation Counsel has four divisions:

- Litigation Division
  - 8 Attorneys
  - Responsible for representing all County employees in litigation matters for actions taken within the course and scope of their employment.
  - Litigation can be against others including restraining orders in order to protect County employees.
  - Work is tracked by Requests for Legal Services (RFLS). These are departmental requests for representation or drafting, anything from contracts, to assistance with zoning enforcements.
- Counseling and Drafting Division
  - Led by the First Deputy.
  - Provides legal advice to all Boards and Commissions and the County Council.
  - Each attorney has a list of assignments, departments, and subject matter.
  - Deputy Corporation Counsel Gary Murai falls under this division.
- Administrative Management and Clerical Services Division
- Risk Management Division

The staff includes:

- 38 Employees
- 1 Investigator
- 1 Full-Time Paralegal
- 1 Part-Time Paralegal
- 17 Full-Time Attorneys

Their work of Corporation Counsel is tracked by the number of Requests for Legal Services (RFLS) handled. These are departmental requests for representation, legal opinion, drafting of contracts, etc. The attorneys have a wide variety of subject matter that they must be familiar with. Most matter are handled in-house.

### **Workload Increases**

- FY 2021 – Received a total of 5,431 RFLS. FY 2022 experienced an increase of 1,000 additional assignments. At any time, there could be 900 to 1,000 open litigation cases. Some are resolved in a few months, others could take years especially if appeals are filed.
- COVID Response
  - Unanticipated increase to their workload with assisting the administration and the departments respond to the pandemic. The office had to determine what their emergency powers were. Staff members worked longer hours for months.
  - Staff reviewed and approved the Requests for Limited Quarantine Exemptions (LQE). In all, over 50,000 LQEs were processed.

Chair Abbott mentioned there will be a new Department of Agriculture and new Council-created Boards and Commissions. All of these involve the creation of

legislation, staffing, organization, new administrative rules, and a Deputy Corporation Counsel.

### **Salary Considerations (Corporation Counsel Lutey)**

- The average years of legal experience for attorneys in the Department is 18.6 years. No staff attorney has less than 10 years of experience.
- Because of the nature of the job, attorneys are normally not hired directly out of law school.
- Their work is integral to the operation of this County. An important part of their role is to make sure that they are handling all of the matters that need to be done to make this county run efficiently.
- For the last two months, Corporation Counsel has been recruiting for an attorney position opening up at year end. To date, no applications have been received.
- The County is unable to compete with the private sector.

### **Challenges**

- **Cost of Living**
  - Seeking attorneys interested in public service.
  - Salaries are listed in the Maui County Code and prospective employees must be willing to accept the salary compensation as many as still paying off student loans.
  - Hawaii has the highest cost of living in the United States at 196.3, which means that the cost of living is 96.3% higher than the U.S. average. One of the main factors in determining the cost of living is housing. The median sales price of a single-family home is currently \$1 million.
  - The salaries paid to the Corporation Counsel and First Deputy qualify them for “affordable housing” in the gap income and above moderate respectively. All other Deputy attorneys fall within the above moderate for affordable housing.

### **Salary Comparisons – Hawaii**

These are some comparisons that you can see in the State. *(refer to presentation emailed)*

### **2019 California Salary**

2019 was straight across-the-board increase at 2% for all of the Directors. Suggestion for salary compensation should take into account: responsibilities, qualifications, and scope of work. *(refer to presentation emailed)*

### **Hawaii’s Judicial Branch Salaries**

The previous charts reflects the differences in salary compensation. Circuit Court judge’s salaries are just over \$207,000 and District Court judge’s salaries are just over \$195,000. To be a District Court Judge, an attorney needs 5 years of experience and a Circuit Court Judge requires 10 years of experience. Maui County’s Deputy Corporation Counsels possess an average of 18.6 of legal experience. Therefore, Maui County employs one of the most highly qualified and experienced group of legal

professionals. Corporation Counsel Lutey herself has been a licensed attorney for 26 years serving first in the Prosecutor's Office and then in the Department of Corporation Counsel since 1999.

Taking in consideration of the 2% or increases in pay, equity in salary for the legal staff has gotten progressively worse and more apparent when comparing the salaries of the Prosecuting Attorney and their office in comparison to similar locations in California. Analysis was done to find locations that had both similar population and cost of living index. The Maui County Code limits their Deputy salaries to no more than the First Deputy. This equates to salary compression. The hope is to present the same data to the Maui County Council to address the salary differences but may not come up to that on the mainland. It's important to retain qualified attorneys to represent this county. Corporation Counsel touches every fact County government from legislative to administrative. A recommendation was made to set the Corporation Counsel salary at \$175,000 and the First Deputies at \$166,250.

Chair Abbott thanked Corporation Counsel Lutey and First Deputy Thomson for their presentation.

#### **Q&A**

Commissioner Parker: Asked what is the justification for the Salary Commission to pay the Corporation Counsel more than the State Attorney General and Corporation Counsel of the City and County of Honolulu. Has consideration been made to hire new law school graduates at \$68,000 annually with no years of experience.

Corporation Counsel Lutey: The recommendation for the Attorney General's pay was actually over \$180,000. There was a range set I believe low was \$159,000 and up to \$189,000. The Corporation Counsel of the City and County currently earns over \$170,000.

We do not disqualify attorneys fresh out of law school. We will interview people especially if they have ties to the community and want to make a long-term investment here. We haven't gotten an application from someone fresh out of law school in quite some time.

First Deputy Thomson: In regards to the City and County of Honolulu, their Corporation Counsel salary is \$171,336 and the First Deputy is \$158,040. The State of Hawaii has a commission on salaries and there is a 2019 report in 2019. Deputy Corporation Counsel Murai will transmit that information to the members of the Salary Commission. The 2019 State of Commission Salaries has a chart that recommends salaries for multiple fiscal years going forward. They've recommended the State Attorney General salary for FY 2023 be just under \$184,000 and they recommended a salary range between \$159,900 to \$169,000 for the First Deputy General. The Commission recommended a salary of \$215,000 for Circuit Court Judges and \$203,000 for the Family Court and Per Diem Judges.

Commissioner Martin: Asked what position was the recent vacancy announcement for.

Corporate Counsel Lutey: The position is for a Deputy Corporation Counsel. The salary range is set by the Maui County Code and the salary offered would depend upon what their license is.

Commissioner Martin: Asked what the salary range is.

First Deputy Thomson: A recent law school graduate, just licensed with under one year of experience is \$68,000. A maximum with nine years plus of experience is currently \$133,573. The caveat in the county code is the salary of any deputy cannot be higher than that of the first deputy.

Commissioner Martin: Asked for clarification in the minimum number of years of experience required.

Corporate Counsel Lutey: There is no minimum. The attorneys currently on staff have on average over 10 years of experience. Our youngest staff attorney has 10 years of licensure. There is no one here with less than ten years of service and are all capped out at the maximum salary which is \$133,000.

First Deputy Thomson: The work we perform here is complicated, the workload great, and therefore it is difficult to hire inexperienced attorneys.

Commissioner Ho: If the Corporation Counsel is offered a salary of \$170,000 annually, will not necessarily solve recruitment issues, etc. Asked for ideas on how best to approach this situation.

Corporate Counsel Lutey: In the last year, no applications were received. In previous years our office received many letters of interest. The median housing prices may be a factor. Graduate of Lahainaluna and the First Deputy is a graduate of Seabury. Most of the staff have Maui or Hawaii ties. Applicants should be committed to government service and willing to take less pay than if in private practice. If the salary offered is more attractive could help resolve some of the current issues.

First Deputy Thomson: An additional factor other than salaries is work experience. If the County goes to court and we lose, the County may have to pay out a settlement that could be large. The County needs experienced attorneys to defend against claims on the litigation side, to bring claims to enforce the county's rights in the court of law, and to argue against the best attorneys in private practice. The County is a big target and our work in part is to prevent it from having it go over to litigations side. That's why this office is embedded with all the departments and we help the departments stand on the right side as the regulations to prevent against those claims being brought forward. The Salary Commission can set the salaries of the Corporation Counsel and First Deputy, the Prosecuting Attorney and his First Deputy and that sets the bar for the future. The salary for the Deputies is with the County Council. The Salary Commission will control the salaries of the management team and that will impact the Council's decision.

Commissioner Ho: I appreciate that and I believe that we need to do further work into how we generate the salaries and particularly interested in the link to the state judiciary how they come up with their salary range.

## **5. Agenda Setting for Next Meeting**

Chair Abbott asked the staff to arrange presentations with the other departments.

Deputy Corporation Counsel Murai said the following departments remain to make presentations:

- Fire and Public Safety
- Maui Police Department
- Prosecuting Attorney
- Liquor Control
- Internal Auditor
- Department of Agriculture
- County Council Chair and County Council Members
- Office of the Mayor
- Department of Housing and Human Concerns

A request was made for the commission discuss the Agriculture Director position at its next meeting in December.

Deputy Corporation Counsel Murai reminded the Commissioners that some Directors are selected by a Commission and this body should consider input from those specific commissions. Consideration should be made to invite representatives from Fire & Public Safety Commission, Police Commission, and Liquor Commissions. These Commissioners are volunteers also so be respectful of their time and availability. The staff can schedule them for the next meeting in December.

This is Deputy Corporation Counsel Murai's last meeting with this Commission as Corporation Counsel is in the process of shuffling responsibilities. Deputy Corporation Counsel Christie Trenholme will be attending the future meetings.

## **6. Announcements**

The next scheduled meeting is Friday, December 10, 2021, at 8:30am, online, via BlueJeans.

## **7. Adjournment**

There being no further business, the meeting was adjourned at 10:30 a.m.