

**COUNCIL OF THE COUNTY OF MAUI**  
**BUDGET AND FINANCE COMMITTEE**

July 26, 2007

**Committee**  
**Report No.**

\_\_\_\_\_ 07-64 \_\_\_\_\_

Honorable Chair and Members  
of the County Council  
County of Maui  
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget and Finance Committee, having met on May 30, 2007 and July 2, 2007, makes reference to County Communication No. 07-160, from the Mayor, transmitting the following:

1. A proposed resolution entitled "APPROVING COST ITEMS FOR NON-SUPERVISORY BLUE COLLAR EMPLOYEES EXCLUDED FROM BARGAINING UNIT 1".

The purpose of the proposed resolution is to approve the pay adjustments and fringe benefit costs for Non-Supervisory Blue Collar employees excluded from Bargaining Unit 1, pursuant to Section 89C-5, Hawaii Revised Statutes.

2. A document entitled "COUNTY OF MAUI UNIT 01 (EXCLUDED) SUMMARY OF COST ITEMS FY 2007-08, FY 2008-09".

The document provides a summary of cost items for Non-Supervisory Blue Collar employees excluded from Bargaining Unit 1 for Fiscal Years 2008 and 2009. The cost increases are for wages, including fringe benefit costs representing expenses that automatically increase when base salaries increase (e.g., premium pay, overtime, Medicare, unemployment compensation, and leave benefits); night shift differential; meals; travel; and standby pay.

Your Committee notes that the Mayor transmitted County Communication No. 07-160 in accordance with Section 89C-5, Hawaii Revised Statutes (HRS), which requires that all cost items shall be subject to appropriations by the appropriate legislative bodies.

At its meeting on May 30, 2007, your Committee met with the Director of Personnel Services, the Budget Director, and a Deputy Corporation Counsel.

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There was no public testimony.

The Director of Personnel Services noted an error in the Summary of Cost Items under "Salaries", Section 1.A.1. She explained that the rate for BC-01 should reflect an increase of 2.5 percent for the year and not "2.5 % per month". The Director said that the words "per month" should be deleted from the summary.

The Director of Personnel Services reviewed the individual cost items for each year, noting that Bargaining Unit 1 does not have a service step movement plan based on years of service.

She further stated that the negotiated contract provides for higher wages for working supervisors and the trade classes (BC-09 and higher) through a "technical adjustment", which is in addition to the "across the board salary" increase.

The Deputy Corporation Counsel recommended that County Communication No. 07-160 be amended to correct the "Summary of Cost Items", and to revise the proposed resolution to reference County Communication No. "07-160, as amended".

Your Committee voted to recommend adoption of a revised proposed resolution incorporating the revisions recommended by the Deputy Corporation Counsel and filing of the communication.

By correspondence dated June 19, 2007, the Chair of your Committee requested that the Department of Personnel Services provide a corrected "Summary of Cost Items" for excluded employees in Bargaining Unit 1 by deleting the words "per month" in Section 1.A.1, relating to salaries, effective July 1, 2007.

By correspondence dated June 20, 2007, the Department of Personnel Services transmitted a revised document entitled "COUNTY OF MAUI UNIT 01 (EXCLUDED) SUMMARY OF COST ITEMS as amended FY 2007-08, FY 2008-09", incorporating your Committee's requested changes.

Following your Committee's meeting, questions arose regarding whether a County Communication can be amended.

By correspondence dated June 20, 2007, the Chair of your Committee requested that the Department of the Corporation Counsel draft a revised proposed resolution to make appropriate language changes, and to reference and attach to the resolution a corrected "Summary of Cost Items", labeled as Exhibit "1".

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By correspondence dated June 25, 2007, the Department of the Corporation Counsel transmitted a revised proposed resolution entitled "APPROVING COST ITEMS FOR NON-SUPERVISORY BLUE COLLAR EMPLOYEES EXCLUDED FROM BARGAINING UNIT 1", incorporating your Committee's requested changes. Attached to the resolution is a revised document entitled "COUNTY OF MAUI UNIT 01 (EXCLUDED) SUMMARY OF COST ITEMS FY 2007-08, FY 2008-09", labeled as Exhibit "1".

Your Committee's Chair decided to schedule another meeting to consider this item.

At its meeting on July 2, 2007, your Committee met with the Director of Personnel Services, the Budget Director, and a Deputy Corporation Counsel.

There was no public testimony.

The Budget Director informed your Committee that appropriations for the cost items are included in the Fiscal Year 2008 Budget (Ordinance No. 3462).

Your Committee voted to recommend adoption of the revised proposed resolution and filing of the communication.

Your Budget and Finance Committee **RECOMMENDS** the following:

1. That Resolution No. \_\_\_\_\_, as revised herein and attached hereto, entitled "APPROVING COST ITEMS FOR NON-SUPERVISORY BLUE COLLAR EMPLOYEES EXCLUDED FROM BARGAINING UNIT 1", be **ADOPTED**; and
2. That County Communication No. 07-160 be **FILED**.

Adoption of this report is respectfully requested.

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**JOSEPH PONTANILLA** Chair

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**DANNY A. MATEO** Member

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**G. RIKI HOKAMA** Vice-Chair

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**BILL KAUAKEA MEDEIROS** Member

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**MICHELLE ANDERSON** Member

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**MICHAEL J. MOLINA** Member

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**GLADYS C. BAISA** Member

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**MICHAEL P. VICTORINO** Member

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**JO ANNE JOHNSON** Member