

# Resolution

No. 25-112

APPROVING COST ITEMS FOR EMPLOYEES INCLUDED IN BARGAINING UNIT 2 (SUPERVISORY BLUE COLLAR), BARGAINING UNIT 3 (NON-SUPERVISORY WHITE COLLAR), BARGAINING UNIT 4 (SUPERVISORY WHITE COLLAR), AND BARGAINING UNIT 13 (PROFESSIONAL AND SCIENTIFIC)

WHEREAS, the Mayor, by correspondence dated May 2, 2025 to the Honorable Alice Lee, Chair, and Members of the Maui County Council, submitted cost items, pursuant to the April 24, 2025 Notices of Ratification of the Collective Bargaining Agreements, for employees included in Bargaining Unit 2 (Supervisory Blue Collar), Bargaining Unit 3 (Non-Supervisory White Collar), Bargaining Unit 4 (Supervisory White Collar), and Bargaining Unit 13 (Professional and Scientific), who are represented by the Hawaii Government Employees Association; and

WHEREAS, pursuant to Section 89-10, Hawaii Revised Statutes, Council approval is required prior to payment of said cost items; and

WHEREAS, a Summary of Cost Items are attached hereto and incorporated herein by reference as Exhibits "1-4"; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That it does hereby approve of the cost items as specified in Exhibits "1-4"; and
2. That certified copies of this resolution be transmitted to the Mayor, the Director of Personnel Services, the Budget Director, and the Director of Finance.

APPROVED AS TO FORM AND  
LEGALITY




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CHRISTIE M. TRENHOLME  
Department of the Corporation Counsel  
County of Maui

2025-0697  
2025-04-29 Resolution BU03, 04, 13 Included

INTRODUCED BY:

  
\_\_\_\_\_  
Upon the request of the Mayor.

COUNTY OF MAUI  
UNIT 02 (INCLUDED)  
SUMMARY OF COST ITEMS  
FY 2025-2026, FY 2026-2027, FY 2027-2028, FY 2028-2029

**1. Salaries**

Summary includes the following increases:

*A. Effective July 1, 2025:*

- 1) 3.5% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees), former L5, former B1 and former C1.

*B. Effective July 1, 2026:*

- 1) 3.79% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees), former L5, former B1 and former C1.

*C. Effective July 1, 2027:*

- 1) 4% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees), former L5, former B1 and former C1.

*D. Effective July 1, 2028:*

- 1) 4% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees), former L5, former B1 and former C1.

Wage costs include fringe benefit costs representing expenses which automatically increase when base salaries increase (e.g., premium pay, overtime, Medicare, unemployment compensation, and leave benefits). All subsequent year costs include the roll-over cost from previous years.

Additional Cost  
FY 2026  
\$ 193,156

Additional Cost  
FY 2027  
\$ 418,039

Additional Cost  
FY 2028  
\$ 654,280

Additional Cost  
FY 2029  
\$ 910,803

**2. Hawaii Employer-Union Health Benefits Trust Fund**

The following costs provides for the employer contribution equivalent to sixty percent (60%) of the premium rates established by the Hawai'i Employer-Union Health Benefits Trust Fund (EUTF) Board for the benchmark health benefit plan (HMSA 80/20 PPO Plan) plus sixty percent (60%) of all administrative fees for the employees, provided that the dollar amount contributed by the Employer shall not exceed 90% of the total premium.

Additional Cost  
FY 2026  
\$ 36,513

Additional Cost  
FY 2027  
\$ 84,980

Additional Cost  
FY 2028\*  
\$ 84,980

Additional Cost  
FY 2029\*  
\$ 84,980

\*For FY 2028 and FY 2029 have not been negotiated at this time, as premium rate increases are unknown.

**TOTAL ADDITIONAL COST:**

**FY 2026    \$ 229,669**

**FY 2027    \$ 503,019**

**FY 2028    \$ 739,260**

**FY 2029    \$ 995,783**

COUNTY OF MAUI  
UNIT 03 (INCLUDED)  
SUMMARY OF COST ITEMS  
FY 2025-2026, FY 2026-2027, FY 2027-2028, FY 2028-2029

**1. Salaries**

Summary includes the following increases:

*A. Effective July 1, 2025:*

- 1) 3.5% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees).

*B. Effective July 1, 2026:*

- 1) Employees on Step C to Step L as of June 30, 2026, shall be placed on the next step of the corresponding pay range; Employees on Step M as of June 30, 2026, receive a one-time lump sum payment equal to four percent (4%) of the employee's annual basic rate of pay as of June 30, 2026; including employees not administratively assigned to the salary schedule.

*C. Effective July 1, 2027:*

- 1) 4% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees).

*D. Effective July 1, 2028:*

- 1) Employees on Step C to Step L as of June 30, 2028, shall be placed on the next step of the corresponding pay range; Employees on Step M as of June 30, 2028, receive a one-time lump sum payment equal to four percent (4%) of the employee's annual basic rate of pay as of June 30, 2028; including employees not administratively assigned to the salary schedule.
- 2) 0.37% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees).

Wage costs include fringe benefit costs representing expenses which automatically increase when base salaries increase (e.g., premium pay, overtime, Medicare, unemployment compensation, and leave benefits). All subsequent year costs include the roll-over cost from previous years.

Additional Cost
<u>FY 2026</u>
\$ 1,140,922

Additional Cost
<u>FY 2027</u>
\$ 2,536,235

Additional Cost  
FY 2028  
\$ 3,845,806

Additional Cost  
FY 2029  
\$ 5,564,476

**2. Hawaii Employer-Union Health Benefits Trust Fund**

The following costs provides for the employer contribution equivalent to sixty percent (60%) of the premium rates established by the Hawai'i Employer-Union Health Benefits Trust Fund (EUTF) Board for the benchmark health benefit plan (HMSA 80/20 PPO plan) plus sixty percent (60%) of all administrative fees for the employees, provided that the dollar amount contributed by the Employer shall not exceed 90% of the total premium.

Additional Cost  
FY 2026  
\$ 356,286

Additional Cost  
FY 2027  
\$ 796,108

Additional Cost  
FY 2028\*  
\$ 796,108

Additional Cost  
FY 2029\*  
\$ 796,108

\*For FY 2028 and FY 2029 have not been negotiated at this time, as premium rate increases are unknown.

**TOTAL ADDITIONAL COST:**

**FY 2026      \$ 1,497,208**

**FY 2027      \$ 3,332,343**

**FY 2028      \$ 4,641,914**

**FY 2029      \$ 6,360,584**

COUNTY OF MAUI  
UNIT 04 (INCLUDED)  
SUMMARY OF COST ITEMS  
FY 2025-2026, FY 2026-2027, FY 2027-2028, FY 2028-2029

**1. Salaries**

Summary includes the following increases:

*A. Effective July 1, 2025:*

- 1) 3.5% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees).

*B. Effective July 1, 2026:*

- 1) 3.79% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees).

*C. Effective July 1, 2027:*

- 1) 4% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees).

*D. Effective July 1, 2028:*

- 1) 4% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees).

Wage costs include fringe benefit costs representing expenses which automatically increase when base salaries increase (e.g., premium pay, overtime, Medicare, unemployment compensation, and leave benefits). All subsequent year costs include the roll-over cost from previous years.

Additional Cost
<u>FY 2026</u>
\$ 97,217

Additional Cost
<u>FY 2027</u>
\$ 210,403

Additional Cost
<u>FY 2028</u>
\$ 329,305

Additional Cost
<u>FY 2029</u>
\$ 458,416

**2. Hawaii Employer-Union Health Benefits Trust Fund**

The following costs provides for the employer contribution equivalent to sixty percent (60%) of the premium rates established by the Hawai'i Employer-Union Health Benefits Trust Fund (EUTF) Board for the benchmark health benefit plan (HMSA 80/20 PPO plan) plus sixty percent (60%) of all administrative fees for the employees, provided that the dollar amount contributed by the Employer shall not exceed 90% of the total premium.

Additional Cost
<u>FY 2026</u>
\$ 21,779

Additional Cost
<u>FY 2027</u>
\$ 47,353

Additional Cost
<u>FY 2028*</u>
\$ 47,353

Additional Cost
<u>FY 2029*</u>
\$ 47,353

\*For FY 2028 and FY 2029 have not been negotiated at this time, as premium rate increases are unknown.

**TOTAL ADDITIONAL COST:**

<b>FY 2026</b>	<b><u>\$ 118,996</u></b>
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<b>FY 2027</b>	<b><u>\$ 257,756</u></b>
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<b>FY 2028</b>	<b><u>\$ 376,658</u></b>
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<b>FY 2029</b>	<b><u>\$ 505,769</u></b>
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COUNTY OF MAUI  
UNIT 13 (INCLUDED)  
SUMMARY OF COST ITEMS  
FY 2025-2026, FY 2026-2027, FY 2027-2028, FY 2028-2029

**1. Salaries**

Summary includes the following increases:

*A. Effective July 1, 2025:*

- 1) During the period July 1, 2025 to June 30, 2026, continue step movements according to Paragraph P. of Article 14, Compensation Adjustment.
- 2) \$2,000 lump-sum payment for all BU 13 employees not eligible for step movements for the duration of the contract period, including SRNA, exempt included employees.
- 3) 2.12% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees).

*B. Effective July 1, 2026:*

- 1) During the period July 1, 2026 to June 30, 2027, continue step movements according to Paragraph P. of Article 14, Compensation Adjustment.
- 2) 2.95% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees).

*C. Effective July 1, 2027:*

- 1) During the period July 1, 2027 to June 30, 2028, continue step movements according to Paragraph P. of Article 14, Compensation Adjustment.
- 2) 2.77% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees).

*D. Effective July 1, 2028:*

- 1) During the period July 1, 2028 to June 30, 2029, continue step movements according to Paragraph P. of Article 14, Compensation Adjustment.
- 2) 3.17% across-the-board increase, including employees not administratively assigned (SRNA, exempt included employees).

Wage costs include fringe benefit costs representing expenses which automatically increase when base salaries increase (e.g., premium pay, overtime, Medicare, unemployment compensation, and leave benefits). All subsequent year costs include the roll-over cost from previous years.

Additional Cost
<u>FY 2026</u>
\$ 1,176,099

Additional Cost
<u>FY 2027</u>
\$ 2,339,232

Additional Cost
<u>FY 2028</u>
\$ 3,658,751

Additional Cost
<u>FY 2029</u>
\$ 5,115,251

## 2. Hawaii Employer-Union Health Benefits Trust Fund

The following costs provides for the employer contribution equivalent to sixty percent (60%) of the premium rates established by the Hawai'i Employer-Union Health Benefits Trust Fund (EUTF) Board for the benchmark health benefit plan (HMSA 80/20 PPO plan) plus sixty percent (60%) of all administrative fees for the employees, provided that the dollar amount contributed by the Employer shall not exceed 90% of the total premium.

Additional Cost
<u>FY 2026</u>
\$ 310,122

Additional Cost
<u>FY 2027</u>
\$ 705,482

Additional Cost
<u>FY 2028*</u>
\$ 705,482

Additional Cost
<u>FY 2029*</u>
\$ 705,482

\*For FY 2028 and FY 2029 have not been negotiated at this time, as premium rate increases are unknown.

### TOTAL ADDITIONAL COST:

<b>FY 2026</b>	<b><u>\$ 1,486,221</u></b>
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<b>FY 2027</b>	<b><u>\$ 3,044,714</u></b>
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<b>FY 2028</b>	<b><u>\$ 4,364,233</u></b>
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<b>FY 2029</b>	<b><u>\$ 5,820,733</u></b>
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