

COUNCIL OF THE COUNTY OF MAUI
BUDGET, FINANCE, AND ECONOMIC
DEVELOPMENT COMMITTEE

January 26, 2024

Committee
Report No. _____

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

Chair and Members:

Your Budget, Finance, and Economic Development Committee,
having met on January 9, 2024, makes reference to the following:

1. Resolution 23-246, entitled "AUTHORIZING SETTLEMENT OF CLASS GRIEVANCE CASE M-2022-015 FILED ON BEHALF OF THE STATE OF HAWAII ORGANIZATION OF POLICE OFFICERS, BU-12 EMPLOYEES IN THE DEPARTMENT OF POLICE."

Resolution 23-246's purpose is to authorize the settlement of a class grievance filed on behalf of the State of Hawaii Organization of Police Officers ("SHOPO"), Bargaining Unit-12 Employees in the Department of Police, alleging violations of various articles of the Bargaining Unit-12 collective bargaining agreement based on a denial of temporary hazard pay relating to the Coronavirus Disease 2019 pandemic.

2. Bill 140 (2023), entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI, REVENUES; AND DEPARTMENT OF FINANCE, COUNTYWIDE COSTS."

Bill 140's purpose is to amend the Fiscal Year 2024 Budget by: 1) amending Section 2, Estimated Revenues, by increasing Carryover/Savings from the General Fund by \$10,000,000; 2) amending Section 3.B.5.g.(7), Department of Finance, Countywide Costs, Insurance Programs and Self Insurance, by increasing Category B (Operations and

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Equipment) and Total appropriations by \$10,000,000; and
3) adjusting the totals accordingly.

3. A Certification of Additional Revenues for Fiscal Year 2024, dated December 8, 2023, for \$10,000,000 in Carryover/Savings from the General Fund.

At the request of the Chair of your Committee, the Department of the Corporation Counsel transmitted a proposed CD1 version of Resolution 23-246, approved as to form and legality, entitled "AUTHORIZING SETTLEMENT OF CLASS GRIEVANCE CASE M-2022-015 FILED ON BEHALF OF THE STATE OF HAWAII ORGANIZATION OF POLICE OFFICERS, BU-12 EMPLOYEES IN THE DEPARTMENT OF POLICE," to revise the name of the Council committee anticipated to convene the executive meeting and incorporate nonsubstantive revisions.

Your Committee notes Section 3.16.020(B), Maui County Code, requires Council authorization for any settlement of claims or civil litigation in excess of \$7,500.

A SHOPO representative testified in support of the proposed settlement.

Both the Acting Managing Director and Chief of Police expressed support for the proposed settlement.

The Acting Managing Director said the City and County of Honolulu's arbitrated decision on a SHOPO grievance ruled that employees were entitled to some type of hazard pay for their work during the Coronavirus Disease 2019 pandemic. He said the Administration anticipates the total cost to settle SHOPO Grievance Case M-2022-015 will be about \$13,000,000. The Administration is requesting \$10,000,000 to supplement funds previously encumbered for temporary hazard pay.

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A Deputy Corporation Counsel and the Acting Managing Director requested an executive meeting to discuss confidential information related to the case and negotiations.

Your Committee voted to convene an executive meeting, closed to the public, to consult with legal counsel in accordance with Sections 92-5(a)(3), 92-5(a)(4), and 92-5(a)(8), Hawaii Revised Statutes.

Following the executive meeting, your Committee reconvened in regular session.

Based on information received in the executive meeting and the recommendation of the Acting Managing Director and Department of the Corporation Counsel, your Committee voted 8-0 to recommend adoption of Resolution 23-246, CD1, and passage on first reading of Bill 140 (2023). Committee Chair Sugimura, Vice-Chair Kama, and members Cook, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U‘u-Hodgins voted “aye.” Committee member Johnson was excused.

Your Committee is in receipt of Bill 140, CD1 (2023), approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions.

Your Budget, Finance, and Economic Development Committee **RECOMMENDS** the following:

1. That Resolution 23-246, CD1, as revised herein and attached hereto, entitled “AUTHORIZING SETTLEMENT OF CLASS GRIEVANCE CASE M-2022-015 FILED ON BEHALF OF THE STATE OF HAWAII ORGANIZATION OF POLICE OFFICERS, BU-12 EMPLOYEES IN THE DEPARTMENT OF POLICE,” be **ADOPTED**; and
2. That Bill 140, CD1 (2023), as revised herein and attached hereto, entitled “A BILL FOR AN ORDINANCE AMENDING

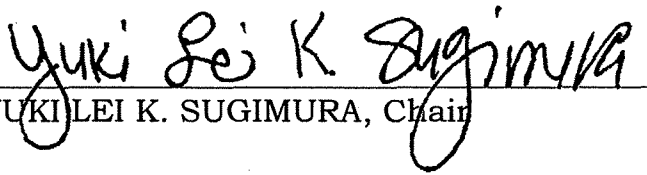
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THE FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF
MAUI, REVENUES; AND DEPARTMENT OF FINANCE,
COUNTYWIDE COSTS," be PASSED ON FIRST READING and
be ORDERED TO PRINT.

This report is submitted in accordance with Rule 8 of the Rules of
the Council.



YUKILEI K. SUGIMURA, Chair

bfed:cr:24060aa:cmn

Resolution

No. 23-246, CD1

**AUTHORIZING SETTLEMENT OF CLASS GRIEVANCE
CASE M-2022-015 FILED ON BEHALF OF THE
STATE OF HAWAI'I ORGANIZATION OF POLICE OFFICERS,
BU-12 EMPLOYEES IN THE DEPARTMENT OF POLICE**

WHEREAS, on or about June 22, 2022, the State of Hawaii Organization of Police Officers on behalf of its Bargaining Unit-12 Members ("Grievants"), sent a letter to the County of Maui requesting temporary hazard pay ("THP") due to the Coronavirus Disease 2019 pandemic; and

WHEREAS, on or about July 15, 2022, the County responded to Grievants denying the request for THP; and

WHEREAS, Grievants then filed a class grievance at Step 3 of the grievance procedure alleging violations of Articles 1, 2, 4, 12, 13, 14, 31, 32, 35, and 53 of the Bargaining Unit-12 Collective Bargaining Agreement; and

WHEREAS, on October 20, 2022, Grievants filed a Step 4 Notice of Intent to Arbitrate to be held in abeyance pending meetings between the Grievants and County; and

WHEREAS, the County of Maui, to avoid incurring expenses and the uncertainty of a judicial determination of the parties' respective rights and liabilities, will attempt to reach a resolution of this case by way of a negotiated settlement agreement; and

WHEREAS, the Department of the Corporation Counsel has requested authority to settle this case under the terms in an executive meeting before the Budget, Finance, and Economic Development Committee; and

WHEREAS, having reviewed the facts and circumstances regarding this case and being advised of attempts to reach resolution of this case by way of a negotiated settlement by the Department of the Corporation Counsel, the Council wishes to authorize the settlement; now, therefore,

Resolution No. _____

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

1. That it approves settlement of Class Grievance Case M-2022-015 filed on behalf of the State of Hawai'i Organization of Police Officers, BU-12 employees in the Department of Police, under the terms set forth in an executive meeting before its Budget, Finance, and Economic Development Committee;
2. That it authorizes the Mayor to execute a Release and Settlement Agreement on behalf of the County in this case, under terms and conditions as may be imposed by the Corporation Counsel consistent with the Council's settlement approval;
3. That it authorizes the Director of Finance of the County of Maui to satisfy settlement of this case, under terms and conditions as may be imposed by the Corporation Counsel consistent with the Council's settlement approval; and
4. That certified copies of this Resolution be transmitted to the Mayor, the Director of Finance, the Director of Personnel Services, the Chief of Police, the State of Hawai'i Organization of Police Officers, and the Corporation Counsel.

APPROVED AS TO FORM AND LEGALITY:



Deputy Corporation Counsel
County of Maui

bfed:misc:060ares01:jgk

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Chris R. Lee", written over a horizontal line.

Upon the request of the Mayor.

ORDINANCE NO. _____

BILL NO. 140, CD1 (2023)

A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024
BUDGET FOR THE COUNTY OF MAUI, REVENUES;
AND DEPARTMENT OF FINANCE, COUNTYWIDE COSTS

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Ordinance No. 5528, Bill No. 22, CD1, FD2 (2023), as amended, "Fiscal Year 2024 Budget", Section 2, Estimated Revenues, is amended to increase Carryover/Savings, General Fund in the amount of \$10,000,000 and increase the total accordingly, to read as follows:

"ESTIMATED REVENUES"

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes	534,949,079
Circuit Breaker Adjustment	(325,398)
Transient Accommodations Tax	60,000,000
Charges for Current Services	172,264,662
Public Service Company Tax	7,000,000
Licenses/Permits/Others	45,268,317
Fuel and Franchise Taxes	23,500,000
Special Assessments	6,700,000
Other Intergovernmental	19,150,000

FROM OTHER SOURCES:

Interfund Transfers	76,491,088
Bond/Lapsed Bond	61,545,000
Carryover/Savings:	
General Fund	[60,591,201] <u>70,591,201</u>
Sewer Fund	10,073,191
Highway Fund	8,000,039
Solid Waste Management Fund	4,945,233
Environmental Protection and Sustainability Fund	665,143
Liquor Fund	855,282
Bikeway Fund	199,760
Water Fund	<u>9,905,110</u>

TOTAL ESTIMATED REVENUES	[1,101,777,707]	<u>1,111,777,707"</u>
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SECTION 2. Fiscal Year 2024 Budget Section 3.B.5.g.(7), Department of Finance, Countywide Costs, Insurance Programs and Self Insurance is amended to increase the appropriation for Category B – Operations & Equipment in the amount of \$10,000,000, and the total appropriation by the same amount, to read as follows:

<u>"FUNCTION AND PROGRAMS</u>	<u>A - Salaries</u>	<u>B – Operations & Equipment</u>	<u>Total</u>
5. Department of Finance			
g. Countywide Costs			
(7) Insurance Programs and Self Insurance	0	[14,471,521]	[14,471,521]
		<u>24,471,521</u>	<u>24,471,521"</u>

SECTION 3. Fiscal Year 2024 Budget, Total Operating Appropriations, is amended to reflect an increase of \$10,000,000 in Category B – Operations & Equipment and Total, to read as follows:

<u>"FUNCTION AND PROGRAMS</u>	<u>A - Salaries</u>	<u>B – Operations & Equipment</u>	<u>Total</u>
TOTAL OPERATING APPROPRIATIONS	241,153,134	[708,221,239]	[949,374,373]
		<u>718,221,239</u>	<u>959,374,373"</u>

SECTION 4. Fiscal Year 2024 Budget, Total Appropriations (Operating and Capital Improvement Projects), is amended to reflect an increase of \$10,000,000, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)	[1,101,777,707]	<u>1,111,777,707"</u>
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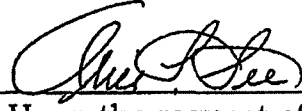
SECTION 5. Material to be repealed is bracketed. New material is underscored.

SECTION 6. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:


 KRISTINA C. TOSHIKIYO
 Deputy Corporation Counsel

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "John R. Lee", is written over a horizontal line.

Upon the request of the Mayor.