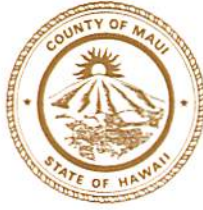


MICHAEL P. VICTORINO  
Mayor

SANDY K. BAZ  
Managing Director



COUNTY OF MAUI  
**OFFICE OF THE MAYOR**  
200 SOUTH HIGH STREET  
WAILUKU, HI 96793

January 16, 2020

Honorable Alice Lee, Chair  
and Members of the Council  
Maui County Council  
County of Maui  
200 South High Street  
Wailuku, HI 96793

RECEIVED  
2020 JAN 16 PM 3:07  
OFFICE OF THE  
COUNTY CLERK

Dear Council Chair Lee and Council Members:

SUBJECT: APPROVAL OF COST ITEMS FOR EMPLOYEES INCLUDED IN  
BARGAINING UNIT 03

In accordance with HRS Section 89-10(b), I am herewith transmitting the cost items for the two-year contract covering HGEA Bargaining Unit 03. The law requires that all cost items shall be subject to appropriations by the appropriate legislative bodies.

These computations reflect the implementation cost for employees included in Bargaining Unit 03 for fiscal years 2019-2020 and 2020-2021. A summary of the pay adjustments is also transmitted for your information.

Also transmitted is the necessary resolution prepared by the Corporation Counsel for approval of the cost items.

We would appreciate your expediting approval of the cost items in order to implement the pay adjustments and respectfully request the Council to waive referral of this matter to committee. If you have any questions or require additional information on this matter, please call on Mr. David J. Underwood, Director of Personnel Services.

Very truly yours,

Michael P. Victorino  
Mayor, County of Maui

DJU:gmo/srm  
Attachments  
cc: Director of Finance  
Director of Personnel Services

COUNTY COMMUNICATION NO. 20-45

COUNTY OF MAUI  
UNIT 03 (INCLUDED)  
SUMMARY OF COST ITEMS  
FY 2019-20, FY 2020-21

**1. Salaries**

Summary includes the following increases:

*A. Effective July 1, 2019:*

- 1) \$2,800.00 lump-sum payment, prorated per full-time equivalency for all employees including employees not assigned to the salary schedule.

*B. Effective July 1, 2020:*

- 1) Employees on Step B through Step L move one step. Step B is deleted.
- 2) Increase SR-4 by 10.1%; SR-5 by 8.0%; SR-6 by 5.9%; SR-7 by 3.9%; and SR-8 by 2.0%.
- 3) 2% one-time lump-sum payment for SR-8 employees on Step M as of June 30, 2020.
- 4) 4% one-time lump-sum payment for SR-9 employees and above on Step M as of June 30, 2020, and employees not administratively assigned to the salary schedule.

*C. Effective January 1, 2021*

- 1) 3.46% across-the-board increase for all employees, including employees not administratively assigned to the salary schedule and 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  
FY 2020  
\$ 1,688,346

Additional Cost  
FY 2021  
\$ 1,705,263

**TOTAL COST:**

**FY 2020      \$ 1,688,346**

**FY 2021      \$ 1,705,263**

# Resolution

No. \_\_\_\_\_

## APPROVING COST ITEMS FOR BARGAINING UNIT 03, INCLUDED EMPLOYEES

WHEREAS, the Mayor, by correspondence dated January 16, 2020 to the Honorable Alice Lee, Chair, and Members of the Maui County Council, submitted cost items for non-supervisory white collar employees included within Bargaining Unit 03, which is represented by the Hawaii Government Employees Association, for fiscal years 2019-2020 and 2020-2021; 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 is attached hereto and incorporated herein by reference as Exhibit "1"; 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 Exhibit "1"; 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



EDWARD S. KUSHI, JR.

Department of the Corporation Counsel  
County of Maui

2020-0031

2020-01-13 BU03 Cost Items Included

COUNTY OF MAUI  
UNIT 03 (INCLUDED)  
SUMMARY OF COST ITEMS  
FY 2019-20, FY 2020-21

1. **Salaries**

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*B. Effective July 1, 2020:*

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- 4) 4% one-time lump-sum payment for SR-9 employees and above on Step M as of June 30, 2020, and employees not administratively assigned to the salary schedule.

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Additional Cost
<u>FY 2020</u>
\$ 1,688,346

Additional Cost
<u>FY 2021</u>
\$ 1,705,263

**TOTAL COST:**

FY 2020	<u>\$ 1,688,346</u>	FY 2021	<u>\$ 1,705,263</u>
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