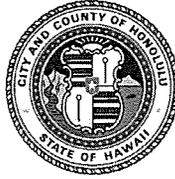


OFFICE OF THE MAYOR
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 300 * HONOLULU, HAWAII 96813
PHONE: (808) 768-4141 * FAX: (808) 768-4242 * INTERNET: www.honolulu.gov

KIRK CALDWELL
MAYOR



EMBER LEE SHINN
MANAGING DIRECTOR DESIGNATE

GEORGETTE T. DEEMER
DEPUTY MANAGING DIRECTOR

January 18, 2013

The Honorable Ernest Martin, Chair
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

RECEIVED
CITY CLERK
& C OF HONOLULU
2013 JAN 18 AM 11:11

Dear Chair Martin and Councilmembers:

Subject: Cost Items – Included Bargaining Unit 10 Employees

Pursuant to Section 89-11(g) and 89C-2(4), Hawaii Revised Statutes (“HRS”), I am submitting for your action the cost items (wage adjustments) as contained in the final and binding arbitration award for Bargaining Unit 10 dated January 10, 2013.

The collective bargaining agreement is effective from July 1, 2011 through June 30, 2013.

According to Chapter 89, only cost items require Council action. Section 89-11(g), HRS, provides that,

“All items requiring any moneys for implementation shall be subject to appropriations by the appropriate legislative bodies and the employer shall submit all such items within ten days after the date on which the agreement is entered into as provided herein, to the appropriate legislative bodies.”

Section 89C, HRS, also requires Council action for cost items for excluded employees. Section 89C-2(4), HRS, provides that,

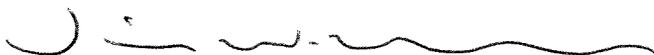
“For excluded employees under the same classification systems as employees within collective bargaining units, adjustments shall be not less than those provided under collective bargaining agreements for employees hired on comparable basis.”

The Honorable Ernest Martin, Chair
and Members
Page 2

Attached are reports covering collective bargaining for this unit and cost estimates.
Note: Most of the Bargaining Unit 10 costs are to be reimbursed by the State.

Should any further information on this matter be required, please contact Carolee C. Kubo, Director Designate of Human Resources, the City's designee for collective bargaining, at 768-8500.

Sincerely,

A handwritten signature in black ink, appearing to read "Kirk Caldwell", with a wavy underline.

Kirk Caldwell
Mayor

Attachments

cc: Budget and Fiscal Services



RESOLUTION

APPROVING COLLECTIVE BARGAINING COST ITEMS FOR THE INCLUDED EMPLOYEES OF THE CITY AND COUNTY OF HONOLULU IN BARGAINING UNIT 10 (UNITED PUBLIC WORKERS).

WHEREAS, Chapter 89, Hawaii Revised Statutes ("HRS"), establishes a statewide collective bargaining process for public employees; and

WHEREAS, pursuant to Chapter 89, HRS, the employers and representatives of Bargaining Unit 10 (United Public Workers) began negotiations on March 7, 2011 concerning a collective bargaining agreement for the employees in the bargaining unit; and

WHEREAS, negotiation and mediation efforts were unsuccessful and an arbitrator appointed by the parties rendered an award on January 10, 2013;

WHEREAS, the new collective bargaining agreement provides for a 3.2% across-the-board adjustment to wages effective January 16, 2013; and

WHEREAS, the duration of the new collective bargaining agreement is effective July 1, 2011 through June 30, 2013; and

WHEREAS, pursuant to Section 89-11(g), HRS, the wage and non-wage cost items are subject to appropriations by the respective legislative bodies; now therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it approve the collective bargaining and related cost items for the included employees of the City and County of Honolulu in Bargaining Unit 10, a summary of which is attached as Exhibit A; and



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. _____

RESOLUTION

BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Mayor and Director of Human Resources of the City.

INTRODUCED BY:

DATE OF INTRODUCTION:

Honolulu, Hawaii

Councilmembers

**CITY AND COUNTY OF HONOLULU
COST ESTIMATES FOR UPW BU 10
FISCAL YEAR 2012 TO 2013**

	FY 12	FY 13	TOTAL FY 12-13
Wages*	-	\$278,249	\$278,249
TOTAL	-	\$278,249	\$278,249

* Includes wage-related fringe benefits.

**COLLECTIVE BARGAINING REPORT TO CITY COUNCIL
UPW AGREEMENT FOR BARGAINING UNIT 10**

Negotiations

Negotiations with the United Public Workers (UPW) began on March 7, 2011. Arbitrator Ronald Hoh was selected by the parties as the neutral arbitrator and rendered a final and binding decision on the BU 10 interest arbitration on January 10, 2013.

Positions Covered in the City and County of Honolulu (as of 12/31/12)

Filled Positions	Vacant Positions
227	38

Cost Items

Wages

The following information highlights the effective dates of the BU 10 cost items based on Arbitrator Hoh's award.

1. Effective January 16, 2013:

3.2% across-the-board wage increase

Duration

The collective bargaining agreement for BU 10 is effective from July 1, 2011 through June 30, 2013.

Employer-Union Health Benefits Trust Fund (EUTF)

The parties have not reached an agreement with respect to the amounts of contribution by the Employer for the premium cost for Medical, Adult Dental, Vision Care and Prescription, and Children's Dental cost and Group Life Insurance cost. Section 89-11(g) provides that,

"If the parties have not reached agreement with respect to the amounts of contribution by the State and counties to the Hawaii employer-union health benefits trust fund by the close of business on the tenth working day after the arbitration panel issues its decision, the parties shall have five days to submit their respective recommendations for such contributions to the legislature, if it is in session, and if the legislature is not in session, the parties shall submit their respective recommendations for such contributions to the legislature during the next session of the legislature. In such event, the final and binding agreement of the parties on all provisions shall consist of the panel's decision and the amounts of contributions established by the legislature by enactment, after the legislature has considered the recommendations for such contributions by the parties."