



RESOLUTION

APPROVING COLLECTIVE BARGAINING COST ITEMS FOR THE STATE OF HAWAII ORGANIZATION OF POLICE OFFICERS BARGAINING UNIT 12 INCLUDED, EXCLUDED, AND EXCLUDED MANAGERIAL EMPLOYEES OF THE CITY AND COUNTY OF HONOLULU.

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 12 (State of Hawaii Organization of Police Officers) began negotiations on January 29, 2021, 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 July 26, 2022; and

WHEREAS, for civil service employees excluded from Bargaining Unit 12, pursuant to Section 89C-2(4), HRS, "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 a comparable basis;" and

WHEREAS, for civil service managers excluded from Bargaining Unit 12, pursuant to Section 89C-3(b)(2), HRS, "Adjustments for excluded civil service employees result in compensation and benefit packages that are at least equal to the compensation and benefit packages provided under collective bargaining agreements for counterparts and subordinates within the employer's jurisdiction;" and

WHEREAS, the new collective bargaining agreement makes adjustments to wages and other non-wage cost items and is effective from July 1, 2021, to June 30, 2025; 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 cost items for the Bargaining Unit 12 included, civil service excluded, and civil service excluded managerial employees of the City and County of Honolulu, a summary of which is attached as Exhibit A; and



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 22-184

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:

Tony Watson (br)

DATE OF INTRODUCTION:

AUG 8 2022

Honolulu, Hawaii

Councilmembers

**REPORT TO CITY COUNCIL
COLLECTIVE BARGAINING AGREEMENT FOR BARGAINING UNIT 12 (SHOPO)
INCLUDED, EXCLUDED, AND EXCLUDED MANAGERIAL**

Background

Negotiations with the State of Hawaii Organization of Police Officers (SHOPO) began on January 29, 2021. The collective bargaining agreement for BU 12 expired on June 30, 2021. On June 30, 2021, SHOPO and Employers (State of Hawaii, City and County of Honolulu, County of Kauai, County of Maui, and County of Hawaii) entered into a Memorandum of Agreement to extend the terms of the BU 12 collective bargaining agreement from July 1, 2021 and until a new agreement was approved and implemented. The Hawaii Labor Relations Board declared impasse on February 1, 2021, and on October 27, 2021, the parties selected Arbitrator Russell Higa, Esq. as the neutral arbitrator and chairperson of the arbitration panel. A hearing was conducted in Honolulu, Hawaii, on May 23, 2022. A final and binding decision on the Bargaining Unit 12 interest arbitration was rendered on July 26, 2022. In addition, the parties reached an agreement regarding the Article on Hawaii Employer-Union Health Benefits Trust Fund which was fully executed on July 26, 2022.

Positions Covered in the City and County of Honolulu (as of July 15, 2022)

Bargaining Unit	Included	Excluded	Excluded Managerial	Total
12 – Police Officers	1,825	33	49	1,907

Duration

The BU 12 Collective Bargaining Agreement is effective from July 1, 2021, to June 30, 2025.

Cost Items

A. Salaries

1. Effective retroactively to July 1, 2021:

- a. No increase in the salary schedule.
- b. Continuation of step movement plan.

2. Effective July 1, 2022:

- a. Five percent (5%) across-the-board increase to the salary schedule.
- b. Continuation of step movement plan.

Exhibit A: Report to City Council (BU 12)

3. **Effective July 1, 2023:**

- a. Five percent (5%) across-the-board increase to the salary schedule.
- b. Continuation of step movement plan.

4. **Effective July, 1, 2024:**

- a. Five percent (5%) across-the-board increase to the salary schedule.
- b. Continuation of step movement plan.
- c. One-time lump sum bonus for employees on salary ranges from PO7 to PO15:

• Step A	\$1,800.00
• Step B	\$1,825.00
• Step C	\$1,850.00
• Step D	\$1,875.00
• Step L-1	\$1,900.00
• Step L-2	\$1,925.00
• Step L-3	\$1,950.00
• Step L-4	\$1,975.00
• Step L-5	\$2,000.00
• Step L-6	\$2,000.00

The following chart summarizes the City's estimated salary costs for the four-year contract period for Bargaining Unit 12:

SALARY COSTS FOR BARGAINING UNIT 12*					
	FY 2022	FY 2023**	FY 2024**	FY 2025**	TOTAL
Included Employees	\$1,914,372	\$20,213,417	\$40,521,786	\$66,710,237	\$129,359,812
Excluded/EM Employees	\$98,764	\$1,060,237	\$2,362,061	\$3,826,763	\$7,347,825
TOTAL	\$2,013,136	\$21,273,654	\$42,883,847	\$70,537,000	\$136,707,637

* Includes wage-related fringe benefits.

** Includes rollover from previous year.

B. **Employer-Union Health Benefits Trust Fund (EUTF)**

- 1. **Effective August 1, 2022:** The Employer will pay specific dollar amounts for the PPO and HMO plans. These amounts will generally equate to 60 percent of the final premium rates of the HMSA 80-20 medical plan (with drug and chiropractic care) established by the Trust Fund Board subject to a

Exhibit A: Report to City Council (BU 12)

cap of 84.3 percent of the total premium for each plan. The Employer will pay specific monthly contributions which are generally equivalent to 60 percent of the premium cost and 60 percent of the administrative fees for all other plans except the life insurance plan (for which the Employer shall pay 100 percent of the premiums and fees).

There was no increase to EUTF costs for FY22 for included, excluded and excluded managerial employees in BU 12. The City's estimated increase to EUTF costs for FY23 for included, excluded and excluded managerial employees in BU 12 is \$745,191.

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
CERTIFICATE

RESOLUTION 22-184

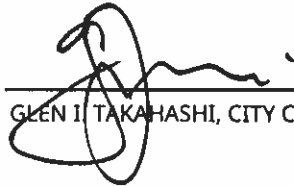
Introduced: 08/08/22 By: TOMMY WATERS - BY REQUEST Committee: BUDGET (BUD)

Title: APPROVING COLLECTIVE BARGAINING COST ITEMS FOR THE STATE OF HAWAII ORGANIZATION OF POLICE OFFICERS BARGAINING UNIT 12 INCLUDED, EXCLUDED, AND EXCLUDED MANAGERIAL EMPLOYEES OF THE CITY AND COUNTY OF HONOLULU.

Voting Legend: * = Aye w/Reservations

08/08/22	INTRO	Introduced.
08/24/22	BUD	Reported out for adoption. CR-212 5 AYES: CORDERO, ELEFANTE, KIA'ĀINA, SAY, TUPOLA 1 EXCUSED: TSUNEYOSHI
09/07/22	CCL	Committee report and Resolution were adopted. 9 AYES: CORDERO, ELEFANTE, FUKUNAGA, KIA'ĀINA, SAY, TSUNEYOSHI, TULBA, TUPOLA, WATERS

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.



GLEN I. TAKAHASHI, CITY CLERK



TOMMY WATERS, CHAIR AND PRESIDING OFFICER