



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 25 - 138

RESOLUTION

APPROVING COLLECTIVE BARGAINING COST ITEMS FOR EMPLOYEES OF THE CITY AND COUNTY OF HONOLULU IN BARGAINING UNITS 2, 3, 4, AND 13 (HAWAII GOVERNMENT EMPLOYEES ASSOCIATION, AFSCME Local 152, AFL-CIO).

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

WHEREAS, pursuant to HRS Chapter 89, the Employer (State of Hawaii, Hawaii State Judiciary, Hawaii Health Systems Corporation, City and County of Honolulu, County of Maui, County of Kauai, and County of Hawaii) and the exclusive representative of Bargaining Units 2, 3, 4, and 13 (Hawaii Government Employees Association) began negotiations on July 1, 2024, concerning successive collective bargaining agreements for the employees in the bargaining units; and

WHEREAS, the Employer and the Hawaii Government Employees Association reached agreements; and

WHEREAS, the Agreements were ratified by the Bargaining Units 2, 3, 4, and 13 employees on April 24, 2025; and

WHEREAS, the new collective bargaining agreements make adjustments to wage and non-wage cost items and are effective for four (4) years, from July 1, 2025, to and including June 30, 2029; and

WHEREAS, pursuant to HRS Section 89-10(b), 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 wage and non-wage cost items for the Unit 2, Unit 3, Unit 4, and Unit 13 Collective Bargaining Agreements between the Employer and the Hawaii Government Employees Association, for the period from July 1, 2025, to and including June 30, 2029, for employees in Bargaining Units 2, 3, 4, and 13 of the City and County of Honolulu (a summary of these cost items is attached as Exhibit A); and

HGEA020304&13APRIL2025



RESOLUTION

BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Mayor, the Director of Budget and Fiscal Services, the Director of Human Resources, and the Hawai'i Government Employees Association.

INTRODUCED BY:

Tony Wai

(br)

DATE OF INTRODUCTION:

MAY 6 2025

Honolulu, Hawai'i

Councilmembers

**REPORT TO CITY COUNCIL
COLLECTIVE BARGAINING AGREEMENTS FOR BARGAINING UNITS 2, 3, 4 & 13
(HGEA)**

Background

The collective bargaining agreements for Bargaining Units 2, 3, 4, and 13 with the Hawai'i Government Employees Association, AFSCME, Local 152, AFL-CIO (HGEA) expire on June 30, 2025. Negotiations for the successor agreements began on July 1, 2024, and continued until April 16, 2025, when the parties tentatively agreed to new contracts. HGEA held statewide ratification meetings on April 22, 23, and 24, 2025. Ratification voting for Bargaining Units (BU) 2, 3, 4, and 13 was completed, and the Employers (State of Hawai'i, Hawai'i State Judiciary, Hawai'i Health Systems Corporation, City and County of Honolulu, County of Maui, County of Kaua'i, and County of Hawai'i) were notified of approval on April 25, 2025.

City Employees Covered by Agreements (as of April 14, 2025)

Bargaining Unit	Without Board of Water Supply		With Board of Water Supply	
	Included	Excluded	Included	Excluded
2	173	0	200	0

Bargaining Unit	Without Board of Water Supply		With Board of Water Supply	
	Included	Excluded	Included	Excluded
3	1,388	115	1,526	124

Bargaining Unit	Without Board of Water Supply		With Board of Water Supply	
	Included	Excluded	Included	Excluded
4	123	2	137	2

Bargaining Unit	Without Board of Water Supply		With Board of Water Supply	
	Included	Excluded	Included	Excluded
13	1,247	76	1,388	83

Duration

The BU 2, 3, 4, and 13 Collective Bargaining Agreements are for a duration of four (4) years, effective from July 1, 2025, to June 30, 2029. However, there is reopener language specific to the Employers' Hawai'i Employer-Union Health Benefits Trust Fund (EUTF) contributions for the plan years 2027-2028 and 2028-2029, allowing either party to give written notice of its intent to reopen negotiations by January 31, 2027.

Cost ItemsA. WagesBargaining Unit 2

1. Effective July 1, 2025: 3.5% monthly across-the-board salary increase
2. Effective July 1, 2026: 3.79% monthly across-the-board salary increase
3. Effective July 1, 2027: 4% monthly across-the-board salary increase
4. Effective July 1, 2028: 4% per month across-the-board salary increase

The BU 2 Salary Costs Table below summarizes the City's estimated salary costs for the four-year contract period both without and including the Board of Water Supply (BWS):

SALARY COSTS FOR BARGAINING UNIT 2*					
	FY 2026	FY 2027**	FY 2028**	FY 2029**	TOTAL
Without BWS					
Included Employees	\$747,050	\$1,616,805	\$2,530,488	\$3,522,616	\$8,416,959
Excluded Employees	\$0	\$0	\$0	\$0	\$0
TOTAL	\$747,050	\$1,616,805	\$2,530,488	\$3,522,616	\$8,416,959
Including BWS					
Included Employees	\$878,439	\$1,901,165	\$2,975,544	\$4,142,165	\$9,897,313
Excluded Employees	\$0	\$0	\$0	\$0	\$0
TOTAL	\$878,439	\$1,901,165	\$2,975,544	\$4,142,165	\$9,897,313

* Includes wage-related fringe benefits.

**Includes rollover from previous year

Bargaining Unit 3

1. Effective July 1, 2025: 3.5% monthly across-the-board salary increase
2. Effective July 1, 2026:
 - 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, shall receive a one-time lump sum payment equal to 4% of the employee's annual base rate of pay as of June 30, 2026
3. Effective July 1, 2027: 4% monthly across-the-board salary increase
 4. Effective July 1, 2028:
 - 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 shall receive a one-time lump sum payment equal to 4% of the employee's annual basic rate of pay as of June 30, 2026.
 - 0.37% monthly across-the-board salary increase

The BU 3 Salary Costs Table below summarizes the City's estimated salary costs for the four-year contract period without and including the BWS:

SALARY COSTS FOR BARGAINING UNIT 3*					
	FY 2026	FY 2027**	FY 2028**	FY 2029**	TOTAL
Without BWS					
Included Employees	\$3,424,840	\$7,417,471	\$11,611,750	\$16,166,138	\$38,620,199
Excluded Employees	\$283,052	\$612,596	\$958,784	\$1,334,694	\$3,189,126
TOTAL	\$3,707,892	\$8,030,067	\$12,570,534	\$17,500,832	\$41,809,325
Including BWS					
Included Employees	\$3,790,619	\$8,209,110	\$12,850,757	\$17,890,923	\$42,741,409
Excluded Employees	\$310,715	\$672,466	\$1,052,488	\$1,465,137	\$3,500,806
TOTAL	\$4,101,334	\$8,881,576	\$13,903,245	\$19,356,060	\$46,242,215

Bargaining Unit 4

1. Effective July 1, 2025: 3.5% monthly across-the-board salary increase
2. Effective July 1, 2026: 3.79% monthly across-the-board salary increase
3. Effective July 1, 2027: 4% monthly across-the-board salary increase
4. Effective July 1, 2028: 4% per month across-the-board salary increase

The BU 4 Salary Costs Table below summarizes the City's estimated salary costs for the four-year contract period without and including the BWS:

SALARY AND OTHER COSTS FOR BARGAINING UNIT 4*					
	FY 2026	FY 2027**	FY 2028**	FY 2029**	TOTAL
Without BWS					
Included Employees	\$477,156	\$1,032,686	\$1,616,273	\$2,249,966	\$5,376,081
Excluded Employees	\$9,759	\$21,122	\$33,058	\$46,019	\$109,958
TOTAL	\$486,915	\$1,053,808	\$1,649,331	\$2,295,985	\$5,486,039
Including BWS					
Included Employees	\$531,773	\$1,150,891	\$1,801,278	\$2,507,506	\$5,991,448
Excluded Employees	\$9,759	\$21,122	\$33,058	\$46,019	\$109,958
TOTAL	\$541,532	\$1,172,013	\$1,834,336	\$2,553,525	\$6,101,406

* Includes wage-related fringe benefits.

**Includes rollover from previous year

Bargaining Unit 13

1. Effective July 1, 2025:
 - Step movements according to Paragraph P. of Article 14, Compensation Adjustment
 - \$2,000 lump sum payment for all BU 13 employees not eligible for step movements for the duration of the contract period
 - 2.12% monthly across-the-board salary increase
2. Effective July 1, 2026:
 - Step movements according to Paragraph P. of Article 14, Compensation Adjustment
 - 2.95% monthly across-the-board salary increase
3. Effective July 1, 2027:
 - Step movements according to Paragraph P. of Article 14, Compensation Adjustment
 - 2.77% monthly across-the-board salary increase
4. Effective July 1, 2028:
 - Step movements according to Paragraph P. of Article 14, Compensation Adjustment
 - 3.17% monthly across-the-board salary increase

The BU 13 Salary Costs Table below summarizes the City's estimated salary costs for the four-year contract period without and including the BWS:

SALARY COSTS FOR BARGAINING UNIT 13 and EM*					
	FY 2026	FY 2027**	FY 2028**	FY 2029**	TOTAL
Without BWS					
Included Employees	\$4,324,190	\$9,358,642	\$14,647,360	\$20,390,152	\$48,720,344
Excluded Employees	\$1,133,680	\$2,453,572	\$3,840,124	\$5,345,722	\$12,773,098
TOTAL	\$5,457,870	\$11,812,214	\$18,487,484	\$25,735,874	\$61,493,442
Including BWS					
Included Employees	\$4,882,363	\$10,566,669	\$16,538,063	\$23,022,143	\$55,009,238
Excluded Employees	\$1,245,622	\$2,695,843	\$4,219,306	\$5,873,570	\$14,034,341
TOTAL	\$6,127,985	\$13,262,512	\$20,757,369	\$28,895,713	\$69,043,579

* Includes wage-related fringe benefits.

**Includes rollover from previous year

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

1. Effective July 1, 2025: The Employer will pay set dollar amounts for the PPO and HMO plans. These amounts 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 cap of 90 percent of the total premium for each plan. The Employer will pay set 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).
2. Effective July 1, 2026: 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 cap of 90 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).

The following chart summarizes the City's estimated increase to EUTF costs (included and excluded employees) for the first two years of the contract period for Bargaining Unit 2:

FY26	FY27	TOTAL FY26-27
\$183,344	\$392,063	\$575,407

The following chart summarizes the City's estimated increase to EUTF costs (included and excluded employees) for the first two years of the contract period for Bargaining Unit 3:

FY26	FY27	TOTAL FY26-27
\$1,074,049	\$2,252,475	\$3,326,524

The following chart summarizes the City's estimated increase to EUTF costs (included and excluded employees) for the first two years of the contract period for Bargaining Unit 4:

FY26	FY27	TOTAL FY26-27
\$99,189	\$210,912	\$310,101

The following chart summarizes the City's estimated increase to EUTF costs (included and excluded employees) for the first two years of the contract period for Bargaining Unit 13:

FY26	FY27	TOTAL FY26-27
\$1,376,514	\$2,891,291	\$4,267,804

C. Meal Allowance and Travel

1. Effective July 1, 2025 & July 1, 2026: The collective bargaining agreements amend Articles relating to Meal Allowance and Travel by increasing the amounts paid for meals and changing travel reimbursements to use the federal reimbursement allowances. However, these items do not have specific costs associated with them and are presumed to be absorbed by departments' operating budgets.

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
CERTIFICATE

RESOLUTION 25-138

Introduced: 05/06/25 By: TOMMY WATERS - BY REQUEST Committee: BUDGET (BUD)

Title: APPROVING COLLECTIVE BARGAINING COST ITEMS FOR EMPLOYEES OF THE CITY AND COUNTY OF HONOLULU
IN BARGAINING UNITS 2, 3, 4, AND 13 (HAWAII GOVERNMENT EMPLOYEES ASSOCIATION, AFSCME Local 152,
AFL-CIO).

Voting Legend: * = Aye w/Reservations

05/06/25	INTRO	Introduced.
05/27/25	BUD	Reported out for adoption.
		CR-201
		5 AYES: CORDERO, DOS SANTOS-TAM, KIA'ĀINA, NISHIMOTO, WEYER
06/04/25	CCL	Committee report and Resolution were adopted.
		9 AYES: CORDERO, DOS SANTOS-TAM, KIA'ĀINA, NISHIMOTO, OKIMOTO, TULBA, TUPOLA, WATERS, WEYER

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