HONOLULU AUTHORITY for RAPID TRANSPORTATION

MINUTES

Human Resources Committee Meeting
Mission Memorial Annex Conference Room
550 South King Street, Honolulu, Hawaii
Thursday, January 24, 2013, 9:00 am

PRESENT:	Keslie Hui Robert Bunda	Damien Kim Carrie Okinaga
ALSO IN ATTENDANCE: (Sign-In Sheet and Staff)	Andrea Tantoco Jeanne Mariani-Belding Cindy Matsushita	Daniel Grabauskas Diane Arakaki Joyce Oliveira
EXCUSED:	Don Horner	

I. Call to Order by Chair

Human Resources (HR) Committee Chair Keslie Hui called the meeting to order at 9:02 a.m.

II. Public Testimony on all Agenda Items

Mr. Hui called for public testimony, and there was none.

III. Approval of Minutes of June 28, 2012 Human Resources Committee Meeting

Mr. Hui called for the approval of the June 28, 2012 meeting of the HR Committee. There being no objections, the minutes were unanimously approved.

IV. Executive Director's Performance Evaluation

Mr. Hui introduced the evaluation of Executive Director and CEO Dan Grabauskas, which would occur following the first anniversary of Mr. Grabauskas' employment in April. Mr. Hui stated that the he had discussed suggested steps for the performance evaluation process with Mr. Grabauskas. He handed out an outline of evaluation criteria, a copy of which is attached hereto as Attachment A. He stated that the discussion about the evaluation process would occur in committee, and the evaluation itself would be carried out by the full Board.

Mr. Hui said that he had suggested that Mr. Grabauskas draft a status report of the activities of the past year, and goals achieved pursuant to the evaluation criteria adopted at the time of his hire. Mr. Hui also suggested that Mr. Grabauskas provide goals for the upcoming year. Mr. Hui further proposed that Mr. Grabauskas' report be presented to the Board of Directors as part of the evaluation process. At the end of the process, the Board will issue an evaluation statement or report on Mr. Grabauskas' performance, and address the issue of a performance bonus. The report will also set future goals.

Board member Carrie Okinaga thanked Mr. Hui for his outline. She stated that as the evaluation is a personnel matter, at least part of the evaluation should be accomplished in executive session. Board member Robert "Bobby" Bunda agreed. He also said that he would like to hear Mr. Grabauskas' perspective on matters such as fitting in to life in Hawaii and the political landscape. Ms. Okinaga said that the process in the first year would set a precedent for future years. Mr. Hui also agreed that part of the evaluation should be private, and that part of the evaluation, including the decision, should be public.

Ms. Okinaga asked Mr. Grabauskas about the evaluation process he underwent while at the Massachusetts Bay Transportation Authority. Mr. Grabauskas stated that the process in Boston was somewhat similar. He reported his accomplishments to the Board in light of the prior year's goals in a public meeting. In executive session, the Board members asked questions and made comments on his performance. The Board would then reconvene the public meeting to discuss the results of the evaluation.

At Ms. Okinaga's request, Deputy Corporation Counsel Gary Takeuchi described the Fire Commission's annual review process, as he had served as counsel for the commission in the past. He said that the Chief provided an annual executive report that included a summary of the year's activities and objectives for the coming years. The objectives served as a basis for the next year's evaluation. The commission employed an evaluation form listing various categories of consideration. The commission employed a variety of evaluation processes, but the method used most often was for individual members to rate the fire chief. Staff would then prepare a report of the evaluation and circulate it to members. The commission would typically ask the chief if he objected to the public release of the report. As the evaluations have always been favorable in his experience, Mr. Takeuchi said that the report was usually made public.

Mr. Bunda asked whether the fire chief ever felt negatively about the process. Mr. Takeuchi replied that the recently released evaluation was not as strong as past evaluations had been, but he was unsure whether it would be made public.

Mr. Bunda asked about past fire chiefs, and Mr. Takeuchi did not have experience with annual reviews for other chiefs. Mr. Takeuchi stated that the distinction between the Fire Department and the Police Department is that the Police Chief serves for a five-year term, while the Fire Chief serves at the pleasure of the Commission. The Fire Chief usually leaves when he or she retires.

Mr. Kim suggested discussing Mr. Grabauskas' performance in the Human Resources Committee meeting, then going into executive session for a conversation with Mr. Grabauskas. The results would then be taken to the full Board.

Mr. Hui suggested that the evaluation process take place at a full Board meeting, after the Human Resources Committee sets the process.

Mr. Bunda asked Mr. Hui whether he favored ratings by individual Board members. Mr. Hui replied that although he had no preference, the Board members should discuss that option. Mr. Bunda said that the HART Board may not need to employ that process. Ms. Okinaga agreed, as the HART Board has always been consensus-driven.

Mr. Hui suggested an evaluation form to serve as a guide in the evaluation process.

Ms. Okinaga thanked Mr. Hui for beginning the evaluation process early. She asked whether the annual performance objectives should be modified. Mr. Hui said that should be part of the evaluation process. Mr. Kim suggested that future goals could be included in the objectives. Mr. Hui agreed, and said that he would like Mr. Grabauskas' opinion on the future for the organization and the Board.

Ms. Okinaga asked the members' opinions about the form provided by Mr. Hui. Mr. Hui said that members should add to it, mark off goals accomplished, and include what Mr. Grabauskas designates as priorities in the coming year.

Mr. Grabauskas stated that he would deliver the report to the committee in April.

V. Long-Term Staffing Discussion

Mr. Hui said that the Board had previously requested information regarding HART's financial and staffing status when it commences operation.

Mr. Grabauskas said that, based on Board feedback as well as the budget, HART will be the manager of an operations and maintenance contract. He said that Chief Financial Officer Diane Arakaki has already begun the processes of evaluating appropriate staffing levels with respect to industry best practices and other transit organizations. Mr. Grabauskas suggested that HART staff create an organization chart to reflect staffing levels in the next seven years, as the organization's focus shifts from construction to operation.

Ms. Okinaga said that this is an area where a deliverable is needed for the Executive Director's performance evaluation. She asked when the staffing plan would be available. Mr. Grabauskas replied around July.

Mr. Bunda asked whether HART staff numbers would be reduced over time. Mr. Grabauskas responded that HART would retain certain positions such as the Executive Director, Chief Financial Officer, and human resources functions. However, many construction and project-related positions would not be needed when rail is in operation. Remaining operations functions would be filled by consultants or contract employees.

Mr. Bunda asked Ms. Okinaga, as former Corporation Counsel, whether this process would involve labor organizations. Ms. Okinaga responded that it would, for permanent employees.

Mr. Hui said that, at this point when Mr. Grabauskas has been at HART for almost a year, he is focused on deliverable dates and the organization's current and future needs. He emphasized the need to set a date for a long term staffing plan, as the plan will drive policy decisions, particularly regarding future integration with TheBus.

Mr. Grabauskas agreed, and said that such a plan would clarify roles and responsibilities between HART and Ansaldo. He recognized the commitment staff had made to the Finance Committee to present an operating budget in the June – July timeframe, and to also present a long-term staffing plan to this committee at the same time. He added that the FFGA application materials reflect an operations staff of approximately 80, but he did not expect to require that many, as Ansaldo will be operating the system.

Mr. Hui stated that HART must decide if it wants redundant staff for leverage in future contract negotiations in operations and maintenance.

Mr. Grabauskas said that another item to consider is, at the expiration of Ansaldo's contract, whether HART would like to enter into another Design-Build-Operate-Maintain contract, or handle operations in-house. He reiterated that, in conjunction with the operating budget to be presented in June or July to the Finance Committee, a staffing plan would also be presented to the Human Resources Committee at that time.

Mr. Hui asked whether there was any reason for executive session, and there was none.

There being no further business before the committee, Mr. Hui adjourned the meeting at 9:37 a.m.

Respectfully Submitted,

Cindy Matsushita
Board Administrator

Approved:

Keslie W.K. Hui
Chair, Human Resources Committee

DEC 19 2013
Date

ATTACHMENT A