



The Senate
State of Hawaii

STATE CAPITOL
HONOLULU, HAWAII 96813

September 5, 2003

The Honorable Daniel K. Inouye
United States Senator
Prince Kuhio Federal Bldg., Room 7-212
300 Ala Moana Blvd.
Honolulu, HI 96850

Ref: Our letter to you dated August 20, 2003 which expressed concerns regarding compliance with wage rate requirements under federal and state laws

Dear Senator Inouye,

We would like to inform you of what has happened since our last letter to you. At the request of Building Trades President, Mr. George Paris, construction industry management and union leaders met on September 4, 2003 to discuss the decision by Chaney, Brooks & Company, Inc., not to apply the Davis Bacon Act for the government maintenance project at Barbers Point and Iroquois Point/Puuloa. We are also very concerned about the possibility of Chaney, Brooks & Company, Inc., using the same rationale for all of their military remodeling and refurbishing projects. The attached sheets list construction industry management and union leaders who endorse our concerns regarding the negative impact of not using prevailing wage rates under the Davis Bacon Act as well as circumventing state labor laws regarding prepaid medical coverage, workman's compensation, and other fringe benefits.

The Laborers' Local 368, the Plumbing and Pipe Fitting Local 675, Operating Engineers Local 3, and the Carpenters Local 745 have expressed their desires to write letters to you regarding similar concerns.

The purpose of this letter is two-fold: (1) to request your help in finding out if other states have encountered similar difficulties in interpreting what is a government contract and when to apply federal and state wage requirements; and (2) to follow up on our previous request (in our August 20th letter) to delay or rescind the awarding of contracts until questions regarding the application of federal and state wage requirements are answered.

Again, we respectfully request your timely assistance in aiding the Hawaii construction industry and providing work for our working men and women pursuant to existing law.

Sincerely,



CAL KAWAMOTO
Chair, Senate Committee on
Transportation, Military Affairs,
and Government Operations



CAROL FUKUNAGA
Chair, Senate Committee on
Economic Development



KEN ITO
Chair, House Committee on Public Safety
and Military Affairs

Attachment

C (for action/response):

The Honorable Daniel K. Akaka, United States Senator
The Honorable Neil Abercrombie, United States Representative
The Honorable Ed Case, United States Representative

The Honorable Linda Lingle, Governor of the State of Hawaii

C (for information only):

U.S. Department of Labor, Employment Standards Administration, Wage and Hour Division

Admiral Thomas Fargo, Commander, U.S. Pacific Command
General William J. Begert, Commander, Pacific Air Forces
Lieutenant General James L. Campbell, Commanding General, U.S. Army, Pacific
Admiral Walter F. Doran, Commander, U.S. Pacific Fleet

The Honorable Robert Bunda, President, Hawaii State Senate
The Honorable Calvin K. Y. Say, Speaker, Hawaii State House of Representatives

Mr. Buzzy Hong, Building & Construction Trades Council
Mr. Nolan Moriwaki, Plasterers' and Cement Masons' Local 630
Mr. Thad Tomei, Elevator Constructors Local 126
Mr. Alan Parker, Operating Engineers Stabilization Fund
Mr. Ben Saguibo, Laborers' Local 368
Mr. Herbert Kaopua, Sr., Plumbing and Pipe Fitting Local 675
Mr. George Paris, Iron Workers Local 625
Mr. Lynn Kinney, Painters and Allied Trades Local 1791
Mr. Harold Lewis, Operating Engineers Local 3
Mr. Gerald Yuh, Electrical Workers Local 1186
Mr. Bruce Coppa, Pacific Resources Partnership
Mr. Tim Lyons, The Legislative Center
Mr. Glenn Nohara, Koga Engineering and Construction, Inc.
Mr. Ken Takenaka, General Contractors Association
Mr. Sheldon Zane, Zane Development Group, Inc.
Mr. Tosh Hosoda, The Gentry Companies
Mr. George Toyama, General Trade & Services, Inc.
Mr. James Muratsuchi, Chaney, Brooks & Company, Inc.
Mr. Ron Taketa, Carpenters Union
Mr. Harry Saunders, Castle and Cooke Hawaii
Mr. Mike Kido, The Estate of James Campbell
Mr. James Evans, Actus Lend Lease, Texas
Mr. Patrick Batt, U.S. Army Garrison, Hawaii