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TESTIMONY
OF
AARON S. FUJIOKA
ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE
HOUSE COMMITTEE
ON
WATER, LAND, OCEAN RESOURCES & HAWAIIAN AFFAIRS

February 8, 2008

HB 3262

RELATING TO HONOLUA BAY.

Chair Ito, Vice Chair Karamatsu and committee members, thank you for the opportunity to testify on HB 3262 that provides for a "non-bid" contract with a consultant.

The State Procurement Office (SPO) does not support the language to exempt from HRS chapter 103D, the contract for a consultant to develop a plan to acquire and manage Lipoa Point for public use.

Statutory exemptions are contrary to the Hawaii Public Procurement Code (Code), section 103D-102, HRS, on the applicability of the chapter that states in part ". . . shall apply to all procurement contracts made by governmental bodies whether the consideration for the contract is cash, revenues, realizations, receipts, or earnings, . . ." Any governmental agency with the authority to expend funds should be in compliance with chapter 103D, which promotes the policy of fair and equitable treatment of all persons who deal with the procurement system; fosters effective broad-based competition; and increases public confidence in public procurement.

The SPO is against statutorily exempting specific purchases from the Code, as it is not in the best interest of government, the business community, and the general public. The Code establishes a time-tested, fair, and reliable set of rules and processes for award of contracts. The competitive procurement processes of the Code are to insure that all potential providers are afforded the opportunity to compete for the required services. To the extent agencies may need specific purchases to be exempted from Code requirements, the Code provides an exemption process.

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The Code should not be viewed as an obstacle to a purchasing agency's mission, but rather as the single source of public procurement policy to be applied equally and uniformly to obtain its requirements. It was the legislature's intent for the Code to be a single source of public procurement policy. If individual agencies are exempted and allowed to develop their own individual processes, it becomes problematic for the administration and vendors/contractors that must comply with a variety of processes. Fairness, open competition, a level playing field, and government disclosure and transparency in the procurement and contracting process are vital to good government. For this to be accomplished, we must participate in the process with one set of statutes and rules.

In conclusion, there is no compelling reason to statutorily exempt the contract for a consultant to develop a plan to acquire and manage Lipoa Point for public use. The SPO submits for your consideration, amendments to Page 4, lines 13 through 19 as follows:

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ _____ or so much thereof as may be necessary for fiscal year 2008- 2009 for development of the Honolua Bay acquisition and management plan under section 2 of this Act, including the hiring of a consultant ~~without regard to chapter 103D, Hawaii Revised Statutes,~~ to develop the plan.

Thank you.

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Water, Land, Ocean Resources & Hawaiian Affairs Committee
Representative Ken Ito Chair
Representative Jon Riki Karamatsu Vice-Chair

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Honolua Advisory Council

SERGEANT-AT-ARMS
HOUSE OF
REPRESENTATIVES

February 8, 2008

Opposed to: HB 3262

Aloha;

The Honolua Advisory Council would like to go on record in opposition to S.B. NO. 2817 A BILL FOR AN ACT RELATING TO HONOLUA BAY.

The Bill seeks to introduce the organizing of a group which is very similar to what is already happening in the community. The bill is correct in recognizing the specialness of the area and therefore the need to address the future of the areas.

The proposed plans raised many emotions and caused the community to rally and come together to communicate to the land owner their disapproval and disagreement with these proposed plans. In response to the community's opposition Maui Land and Pine did remove all conceptual plans from the table. This includes the golf course, the luxury homes, as well as all plans for parks, open space, and cultural uses.

After removing the plans from the table Maui Land and Pine agreed to work with the community in developing a management plan for the area.

Based on the advice of Kupuna from the area an independent body was formed to create a bridge between Maui Land and Pine and the community. In the process of forming this bridge a possible management plan has been prepared and is in the process of seeking community input.

Currently our organization, Honolua Advisory Council and the Save Honolua Coalition are working through a mediated process to see if we might be able to join our efforts. Other organizations in the community are also included and involved in this process.

The land owner has reviewed our proposed plans.

It seems that what this bill is proposing to create is already in existence. The community has and continues to work together to solve this issue. We think it is in the best interest of the community to allow this process to continue as it is. The community has come together in a way we have not seen in a very long time. To attempt to move the process out of their hands and into a new body would not respect what they have come to do and create.

Much is being done by the community and land owner to help move this area into a secure management plan. There is no need for a new group to begin doing what is being done.

However, we would like to encourage your committee and any other Senate members to review what has been done in more detail.

We would like to further encourage you to earmark funds to assist the community in obtaining their final plan. Similar to what the Maui County administration has done.

Another area that the State could provide positive support to our community is by making a planner available if need should arise to assist us implementation of the final plan.

Mahalo for taking our comments in to consideration.