



Ocean Tourism Coalition

The Voice for Hawaii's Ocean Tourism Industry
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February 6, 2008

Testimony To: Senate Committee on Water and Land
Senator Clayton Hee, Chair

Senate Committee on Intergovernmental and Military Affairs
Senator Lorraine R. Inouye, Chair

Presented By: James E. Coon, President
Ocean Tourism Coalition

Subject: S.B. 2817 - RELATING TO HONOLUA BAY

Chair Hee, Chair Inouye and Members of the Joint Committees:

I am James E. Coon, President of the Ocean Tourism Coalition (OTC), Hawaii's statewide organization representing the Ocean Tourism Industry. We represent the 300 small commercial passenger vessels operation out of state harbor and launch ram facilities. We speak in conditional support of S.B. 2817 with proposed amendments.

We agree with the intent of this bill and preserving the Honolua Bay and Lipoa Point area. Honolua Bay MLCD is the primary destination for the handful of sailing catamarans that operate from Kaanapali Beach with snorkeling charters. These are important stakeholders whose livelihoods depend on access to this bay and should have representation on this committee. We would like to add one more seat representing the Kaanapali charter boats. We would suggest that OTC would be the appropriate organization to fill this seat.

If you pass S.B. 2817, we humbly request a SD 1 with an amendment to reflect the addition of one
(1) Ocean Tourism Coalition seat.

Thank you.



February 6, 2008

Testimony To: Senate Committee on Water and Land
Senator Clayton Hee, Chair

Senate Committee on Intergovernmental and Military Affairs
Senator Lorraine R. Inouye, Chair

Presented By: Jim Walsh, General Manager
Atlantis Adventures - Maui

Subject: S.B. 2817 – RELATING TO HONOLUA BAY.

Chair Hee, Chair Inouye and Members of the Joint Committees:

I am Jim Walsh, General Manager of Atlantis Adventures on the island of Maui. We support this bill with an amendment.

Atlantis Adventures is a member of the Ocean Tourism Coalition and while we support the intent of this bill for preserving both the Honolua Bay and Lipoa Point area we feel that a member of the OTC should also be added to the Honolulu Bay Advisory Committee.

Thank you.



Lahaina Divers
a hawaiian experience like none other

February 6, 2008

Testimony To: Senate Committee on Water and Land
Senator Clayton Hee, Chair

Senate Committee on Intergovernmental and Military Affairs
Senator Lorraine R. Inouye, Chair

Presented By: Greg Howeth
Lahaina Divers, Inc.

Subject: S.B. 2817 – RELATING TO HONOLUA BAY

Chair Hee, Chair Inouye and Members of the Joint Committees:

My name is Greg Howeth and I represent Lahaina Divers Inc. which has been operating small passenger vessels from Lahaina small boat harbor since 1978. We are in support of this bill with amendments.

Lahaina Divers, Inc. is a longtime member of the Ocean Tourism Coalition which represents approximately 300 small commercial passenger vessels. We agree with the intent of this bill and preserving both the Honolua Bay and Lipoa Point area however, we feel that a member of the OTC should also be added to the Honolulu Bay Advisory Committee.

Thank you.

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February 6, 2008

Testimony To: **Senate Committee on Water and Land**
Senator Clayton Hee, Chair

Senate Committee on Intergovernmental and Military Affairs
Senator Lorraine R. Inouye, Chair

Presented By: **Steve Knight, President**
Expeditions, the Lahaina-Lana'i Passenger Ferry

Subject: **S.B. 2817 – RELATING TO HONOLUA BAY**

Chair Hee, Chair Inouye and Members of the Joint Committees:

I am Steve Knight, President of Expeditions, the Lahaina-Lana'i Passenger Ferry which has been operating vessels between Lahaina Harbor on Maui and Manele Harbor on Lana'i since 1988. We are also members of the Ocean Tourism Coalition and while we support the intent of this bill and preserving the Honolua Bay and Lipoa Point area, we feel that OTC should have representation on the Honolua Bay Advisory Committee.

Thank you.

LINDA LINGLE
GOVERNOR



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TESTIMONY
OF
AARON S. FUJIOKA
ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE
SENATE COMMITTEE
ON
WATER AND LAND

February 6, 2008

SB 2817

RELATING TO HONOLUA BAY.

Chair Hee, Vice Chair Kokubun and committee members, thank you for the opportunity to testify on SB 2817 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.

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.