

ARRA Update

Legislative Federal Economic Stimulus Program Oversight Commission Act 150, Session Laws of Hawaii 2009

For each group/category or program/project for which ARRA funds have been obtained, please provide the following information.

A brief summary of the program/project, including goals.

\$75.9M in various repair and minor construction projects on barracks, CDCs, gyms, libraries, admin facilities, airfields, and installation/range road repairs and reconstruction.

Whether funds were appropriated for expenditure by a federal agency, were awarded as a formula/block grant to a State or county agency, or were awarded on a competitive grant basis.

Funds were appropriated for expenditure by a federal agency (Dept. of the Army).

Whether matching funds are required, and if so.

No matching funds were required.

If there are additional requirements to receive funds, what are they.

No additional requirements exist.

The amount of funds involved and the state/federal fiscal year within which the funds must be expended.

\$75.9M was identified by the Department of the Army for expenditure on the Army's Hawaii installations. Funds were for FFY 09-10 although original agency guidance was funds needed to be expended in FFY 09.

What criteria were used to identify the program/projects as a priority and how does the program/project meet them.

Army higher headquarters provided the rules of engagement for the Stimulus data call, which included prescribed focus areas for the projects. The project categories were Sustainment, Restoration, Transportation, Flagship, Community Support, and Energy.

Efforts undertaken to coordinate application for funds and administration of the program/project, including expenditure of funds, with other federal, state, and county agencies.

The expenditure of the funds was managed in two distinct and separate pots. The Garrison funds were executed within the DPW (Directorate of Public Works) and were awarded through the RCO (Regional Contracting Office). The second set of funds was executed through the U.S. Army Corps of Engineers (USACE) Hawaii district and their contracting office.

The criteria used to select activities for the program/project.

The criteria used to select the projects were based on the project criteria provided by Department of the Army. Initially heavy emphasis was also placed on rapid execution of the projects and also drove the project selections. Existing unfunded projects and future fiscal year planned projects in the categories of Sustainment, Restoration, Transportation, Flagship, Community Support, and Energy were selected.

Efforts made to provide public notice and seek public comment/input or, if public comment/input was not sought, why.

All of the Stimulus projects were developed for improvements of Federal property on Army installations on Oahu and the Big Island and public input was not sought. Following the development and funding of projects, public notice was provided through the Department of Defense ARRA website.

Efforts made during the bidding/award process to ensure that it was transparent and that the funds were awarded based on merit and in a prompt, fair, and reasonable manner.

The majority of the Stimulus projects were competed through pools of pre-competed Contractors. Competition ensured the government with the best price and lowest probability of favoritism with the selection of Contractors.

Measures employed to (1) reduce duplication of efforts, (2) ensure that funds were used for authorized purposes, and (3) prevent cost overruns, fraud, waste, error, and abuse.

The projects were developed, executed, and managed by experienced DPW and USACE personnel. SMEs (Subject Matter Experts) in the areas of budget, design, engineering, project management, inspection, and contracting were used for the Stimulus program. These Federal offices annually execute and manage \$500 million in SRM and MCA repair and construction contracts. In house resources were borrowed from other units within the organization to assist with the extra workload. Additional personnel have been hired to assist with project inspection and construction oversight.

Current status of the program/project, including percentage of awarded funds that have been obtained, percentage of awarded funds encumbered and/or expended, and what part(s) of program/project have been completed.

Approximately 93% of funds were awarded and/or obligated and approximately 22% of funds had been expended as of late June 2010. The remaining unobligated funds were in the process of being returned to the Army HQ. See attached spreadsheet for Garrison and USACE project status updates

Actual or anticipated economic impact to the State of the program/project, including the number of jobs saved/created and the long-term public benefits of the program/project.

The Stimulus program provided a huge boost to the small business construction contractors typically used to execute SRM repair and minor construction projects creating and saving hundreds of construction and AE design firm positions in the State of Hawaii. A significant portion of the program was dedicated to projects to increase use of renewable energy.

For other programs/projects, if ARRA funds, such as competitive grants, were available for a program/project but were not sought or were denied, please briefly describe why the funds were not sought or why they were denied.

This does not apply to Army federal programs.

Please describe:

Any legal/operational barriers/constraints encountered in the award, receipt, encumbrance, or expenditure of funds, including procurement, late/delayed federal guidance, and reporting requirements.

Requirements for historic buildings, historic sites, and endangered species on the installation and training lands made the scoping and award of projects difficult and time consuming. The length of time to process the necessary hazardous material testing and NPDES permits through DOH during the scoping and development of the projects also made it difficult to meet the execution milestones.

The effect of those barriers/constraints.

The ARRA projects were additive to the Army's normal workload and lengthened planning and execution timelines for the normal process.

If and how they were mitigated.

Numerous mitigations were developed to meet the ARRA guidance and execution milestones. Engineers and techs were pulled from existing offices to form special PD (Project Development) teams within DPW to scope, design, and develop Requests for Proposals (RFPs) in house. Contractors were provided with the burden of providing the hazardous material testing and NPDES permits requirements during construction.