

Memo

February 9, 2009



To: Honorable Joseph Souki
Chairman, Transportation Committee
House of Representatives
State of Hawaii

LATE TESTIMONY

From: Ray Romero
Managing Director
Securitas Security Services USA, Inc.

Re: HB 378 Airport Security

Chairman Souki and Honorable Committee Members:

My name is Ray Romero and I am the Managing Director with Securitas Security Services USA, Inc.

Securitas supports this bill. We believe this is a very important bill that will seek to ensure that security at our public airports is not compromised.

Since security concession contracts are not on a list of airport contracts that can be negotiated, typically, such contracts have been awarded by sealed public bid; lowest bidder wins. Such contracts should be added to the list of contracts that can be negotiated since the terrorist events of September 11, 2001 and federal security requirements have dramatically changed the security at our public airports.

After the events of 9/11, TSA and other federal agencies have imposed requirements and confidential matters that cannot be attached to the public bid documents given their sensitive nature and to avoid disclosure to possible terrorist-type groups or individuals. As a result, the winning bidder is not made aware of all of the additional cost factors that it must bear as part of the winning bid until after it is awarded the contract, based on its lowest bid. This is obviously not good and could easily place a winning bidder in situation of either defaulting on its contract or cutting back on services to try and meet the added costs imposed by these federal requirements and confidential matters.

Security at our public airports should not be jeopardized. Allowing security contracts to be negotiated will seek to ensure this. A process of negotiation will allow the department to select a finalist in the negotiation process but not complete the terms of the contract until the cost factors associated with the federal requirements have been disclosed and negotiated. This process will seek to ensure that a winning bidder is fully apprised of all cost factors (particularly cost factors associated with federal requirements and confidentiality matters) prior to finalizing its contract. This process will provide your department with a peace of mind that the contractor will not default on its contract or cut back on services since its bid was too low because it was not made aware of various cost factors that could not be disclosed.

We urge to help to ensure that security at our public airports is not compromised by passing this bill. Thank you for allowing me to testify.

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