

STAND. COM. REP. NO. 868

Honolulu, Hawaii

March 8, 2011

RE: H.B. No. 985  
H.D. 2

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 985, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this bill is to preserve creativity and competition in the construction contract procurement process by establishing and incorporating the design-build method as an alternative procurement method into the Hawaii Public Procurement Code, to be employed at the discretion of the procurement officer. If the design-build method is employed, the procurement officer must:

- (1) Prior to the submittal of proposals or discussion and evaluations, issue a request for proposals to prequalify offerors to select a short list of responsible offerors; provided that:
    - (A) The number of proposals that will be short-listed is stated in the request for proposals; and
    - (B) All offerors are given prompt public notice as to which proposals have been short-listed;
- or



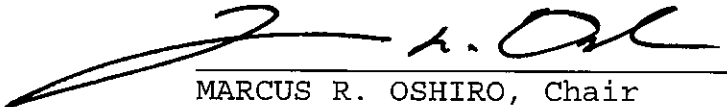
- (2) Pay stipends to unsuccessful offerors; provided that the stipend amount and terms of stipend payment are stated in the request for proposals.

The Department of Accounting and General Services; Hawaii Procurement Institute; Nordic PCL Construction, Inc.; Pacific Geotechnical Engineers, Inc.; The Limtiaco Consulting Group; American Institute of Architects Hawaii State Council; Design-Build Institute of America, Western Pacific Region, and the Hawaii Chapter; General Contractors Association of Hawaii; and American Council of Engineering Companies of Hawaii testified in support of this bill. The Department of Budget and Fiscal Services, City and County of Honolulu opposed this measure. The State Procurement Office; InSynergy Engineering, Inc.; KAI Hawaii, Inc.; Kennedy/Jenks Consultants; Community Planning and Engineering, Inc.; Fukunaga & Associates, Inc.; ECS, Inc.; Engineering Concepts, Inc.; Brown and Caldwell; Design-Build Institute of America; and Shigemura, Lau, Sakanashi, Higuchi & Associates, Inc. provided comments.

Your Committee has amended this bill by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 985, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 985, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
MARCUS R. OSHIRO, Chair



