

Kennedy/Jenks Consultants

Engineers & Scientists

Formerly ENGINEERING SOLUTIONS, INC.

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Pearl City, Hawaii 96782

808-488-0477

FAX: 808-488-3776

February 5, 2011

House Committee on Economic Revitalization and Business

Hearing Date: Tuesday, February 8, 8:00 a.m., Conference Room 312

Honorable Representatives Angus L.K. McKelvey, Chair; Isaac W. Choy, Vice Chair; and Members of the House Committee on Economic Revitalization and Business

Subject: **HB 985, Relating to Procurement**
TESTIMONY IN SUPPORT

Dear Chair McKelvey, Vice Chair Choy, and Committee Members,

HB 985 would put in place a two-step process for procuring design-build teams. At the first stage, potential design-build teams would submit their qualifications particular to the proposed project. A selection committee would select the most qualified teams (up to five) that would then proceed to the second proposal stage. The two-step process serves to reduce industry costs in responding to requests for design-build proposals, to encourage the most qualified design-builders to participate by increasing their chances of success, and to reduce the cost to the agency of reviewing the proposals.

HB 985 also provides for the granting of a conceptual design fee to the losing short-listed teams. Preparation of a design-build proposal is an onerous task, and teams can spend more than \$1 million to prepare their proposal. Studies have shown that the providing even a nominal fee to the losing teams encourages more teams to participate. In Hawaii, many of our local A/E firms are small businesses, and we feel that providing a conceptual design fee would encourage more of our small firms to participate in design-build projects.

Our company strongly supports HB 985, Relating to Procurement. HB 985 would provide for the procurement of design-build contract teams in a manner used by the Federal Government and many other jurisdictions.

We appreciate the opportunity to provide testimony regarding HB 985. Please do not hesitate to contact us if you have any questions regarding our testimony.

Respectfully submitted,

KENNEDY/JENKS CONSULTANTS



Richard E. Frey
Vice President

Kennedy/Jenks Consultants

98-1268 Kaahumanu Street, Suite 204

Pearl City, Hawaii 96782

P: 808.488.0477 F: 808.488.3776

February 6, 2011

House Committee on Economic Revitalization and Business

Hearing Date: Tuesday, February 8, 8:00 a.m., Conference Room 312

Honorable Representatives Angus L.K. McKelvey, Chair; Isaac W. Choy, Vice Chair; and Members of the House Committee on Economic Revitalization and Business

Subject: **HB 985, Relating to Procurement**
TESTIMONY IN SUPPORT

Dear Chair McKelvey, Vice Chair Choy, and Committee Members,

Kennedy/Jenks Consultants strongly supports **SB 985, Relating to Procurement**. HB 985 would provide for the procurement of design-build contract teams in a manner used by the Federal Government and many other jurisdictions.

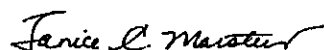
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We appreciate the opportunity to provide testimony regarding HB 985. Please do not hesitate to contact us if you have any questions regarding our testimony.

Respectfully submitted,

Kennedy/Jenks Consultants



Janice Marsters, Ph.D., LEED™ AP
Senior Environmental Engineer

February 6, 2011

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Hearing Date: Tuesday, February 8, 8:00 a.m., Conference Room 312

Honorable Representatives Angus L.K. McKelvey, Chair; Isaac W. Choy, Vice Chair; and Members of the House Committee on Economic Revitalization and Business

Subject: HB 985, Relating to Procurement
TESTIMONY IN SUPPORT

Dear Chair McKelvey, Vice Chair Choy, and Committee Members,

Fukunaga & Associates, Inc. is a Hawaii-owned and managed Civil & Environmental Engineering firm operating in Hawaii since 1969. **We are in strong support of HB 985, Relating to Procurement.** HB 985 would provide for the procurement of design-build contract teams in a manner used by the Federal Government and many other jurisdictions.

HB 985 would put in place a two-step process for procuring design-build teams. At the first stage, potential design-build teams would submit their qualifications particular to the proposed project. A selection committee would select the most qualified teams (up to five) that would then proceed to the second proposal stage. The two-step process serves to reduce industry costs in responding to requests for design-build proposals, to encourage the most qualified design-builders to participate by increasing their chances of success, and to reduce the cost to the agency of reviewing the proposals.

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We appreciate the opportunity to provide testimony regarding HB 985. Please do not hesitate to contact us if you have any questions regarding our testimony.

Very truly yours,

FUKUNAGA & ASSOCIATES, INC.



Jon K. Nishimura, P.E.
President

FUKUNAGA & ASSOCIATES, INC.





ECS, INC.

615 Piikoi Street, Suite 207
Honolulu, Hawaii 96814
(808) 591-8181 Fax: (808) 591-9098

February 7, 2011

EMAILED TESTIMONY TO: ERBtestimony@Capitol.hawaii.gov

House Committee on Economic Revitalization and Business
Hearing Date: Tuesday, February 8, 8:00 a.m., Conference Room 312

Honorable Representatives Angus L.K. McKelvey, Chair; Isaac W. Choy, Vice Chair; and Members of the House Committee on Economic Revitalization and Business

Subject: **HB 985, Relating to Procurement**
TESTIMONY IN SUPPORT

Dear Chair McKelvey, Vice Chair Choy, and Committee Members,

My name is Lennox Nishimura and I am a principal for a small Hawaii-owned electrical engineering consulting firm. Our company strongly supports **HB 985, Relating to Procurement**. HB 985 would provide for the procurement of design-build contract teams in a manner used by the Federal Government and many other jurisdictions.

HB 985 would put in place a two-step process for procuring design-build teams. At the first stage, potential design-build teams would submit their qualifications particular to the proposed project. A selection committee would select the most qualified teams (up to five) that would then proceed to the second proposal stage. The two-step process serves to reduce industry costs in responding to requests for design-build proposals, to encourage the most qualified design-builders to participate by increasing their chances of success, and to reduce the cost to the agency of reviewing the proposals.

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We appreciate the opportunity to provide testimony regarding HB 985. Please do not hesitate to contact us if you have any questions regarding our testimony.

Respectfully submitted,

A handwritten signature in cursive script that reads "Lennox K. Nishimura".

Lennox K. Nishimura, P.E., FACEC
President
ECS, Inc.



Gray • Hong • Nojima & Associates, Inc.
CONSULTING ENGINEERS

Daniel S.C. Hong, PE
Sheryl E. Nojima, PhD, PE
Michael H. Nojima, PE, LEED AP
Paul T. Matsuda, PE, LEED AP
Rusty B. Bungcayao
Gavin Y. Masaki, PE, LEED AP

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February 7, 2011

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TESTIMONY IN SUPPORT

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We appreciate the opportunity to provide testimony regarding HB 985. Please do not hesitate to contact us if you have any questions regarding our testimony.

Respectfully submitted,


Daniel S. C. Hong, PE
Chairman of the Board



Gray • Hong • Nojima & Associates, Inc.
CONSULTING ENGINEERS

Daniel S.C. Hong, PE
Sheryl E. Nojima, PhD, PE
Michael H. Nojima, PE, LEED AP
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We appreciate the opportunity to provide testimony regarding HB 985. Please do not hesitate to contact us if you have any questions regarding our testimony.

Respectfully submitted,

Michael H. Nojima, PE
Vice President

**COALITION OF HAWAII ENGINEERING AND ARCHITECTURAL
PROFESSIONALS**

February 6, 2011

EMAILED TESTIMONY TO: ERBtestimony@Capitol.hawaii.gov

**Hearing Date: Tuesday, February 8, 8:00 a.m., Conference Room 312
House Committee on Economic Revitalization & Business**

Honorable Representative Angus L.K. McKelvey, Chair, Isaac W. Choy, Vice Chair, and Members of the House Committee on Economic Revitalization & Business

Subject: HB 985, Relating to Procurement

Honorable Chair McKelvey, Vice Chair Choy and Committee Members,

The Coalition of Hawaii Engineering & Architectural Professionals represents several professional Engineering and Architectural organizations including American Council of Engineering Companies Hawaii; Hawaii Chapter of the American Society of Civil Engineers; American Public Works Association Hawaii Chapter; Structural Engineering Association of Hawaii; and the Hawaii Society of Professional Engineers.

We are in **Strong Support of HB 985 Relating to Procurement** and to provide a nationally recognized procurement process for the procurement of Design Build construction projects.

This bill develops a two part process for the procurement of Design-Build construction. The first part will be qualification phase where the agency selects up to five highly qualified teams. The second part, short listed qualified teams will be allowed to compete in the costly and time consuming proposal phase developing the detailed scope of work and conceptual design, construction schedules and cost proposals. This two-step process serves to reduce industry costs in responding to requests for design-build proposals, to encourage the most qualified design-builders to participate by increasing their chances of success, and to reduce the cost to the agency of reviewing the proposals.

We have included a requirement to allow the procurement officer to compensate the losing short-listed teams in their efforts to prepare conceptual design documents. Note: the preparation of a design-build proposal is a very costly endeavor to the Design Build teams competing to the final stage. Recent examples include Honolulu Rail first segments where DB teams have spent well over \$1 million dollars putting together very detailed proposals and conceptual designs, also the State Convention Center, and Ford Island Bridge all very costly endeavors.

We urge you to support HB 985 Relating to Procurement.

Sincerely,
Coalition of Hawaii Engineering & Architectural Professionals
Lester H. Fukuda, P.E., FACEC



AMERICAN SOCIETY OF CIVIL ENGINEERS
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 Honolulu, HI 96808-0917

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February 7, 2011

Honorable Angus L. McKelvey, Chair
 Honorable Isaac W. Choy, Vice Chair
 Honorable Members, House Committee on Economic Revitalization & Business

I am testifying in support for House Bill 985, Relating to Procurement, on behalf of the Hawaii Section of the American Society of Civil Engineers.

The American Society of Civil Engineers was established in 1852 and is the oldest professional engineering organization in the United States. The Hawaii Section of ASCE was established in 1937 and is comprised of more than 1,000 civil engineers from both the public and private sectors of our state.

At the national level, the ASCE Board of Direction adopted a policy strongly supporting the two-phase process for design-build contracts for the competitive selection of construction services. A copy of the policy statement adopted on April 24, 2007 is attached.

The traditional method of construction has been the three-step design-bid-build process. In the last decade, the design-build (DB) method of contracting has been increasing steadily. Since 1982, the volume of domestic DB contracts nationwide has grown from \$6 billion to \$56 billion and now represents 23 percent of the nonresidential U.S. market. Both private and public owners are using this method to accrue savings in both costs and time by streamlining the project delivery process. In Hawaii the federal government has been the leading advocate of DB and report savings in time and cost on their projects.

ASCE urges the DB process require the qualifications-based selection process for DB team and reimbursement for the consultants' cost for the preparation of proposals to be provided by the owner. These features are contained in HB 985.

Thank you for the opportunity to testify on this measure. I urge your passage of HB 985 and would be happy to respond to any questions you may have.

Owen Miyamoto, PE, FASCE
 Local Legislative Affairs Liaison

Attachment



Civil Engineers – Designers and Builders of the Quality of Life



AMERICAN COUNCIL OF ENGINEERING COMPANIES
of Hawaii

President

Sheryl Nojima, Ph.D., P.E.
Gray Hong Nojima & Assoc.
Ph: (808) 521-0306

President-Elect

Douglas Lee, P.E.
Brown and Caldwell
Ph: (808) 523-8499

Treasurer

Terrance Arashiro, P.E.
Austin, Tsutsumi & Assoc.
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Secretary

Mike Street, P.E.
Bowers + Kubota Consulting
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The Limtiaco Consulting Group
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Beverly Ishii-Nakayama, P.E.
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February 7, 2011

House Committee on Economic Revitalization and Business
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Honorable Representatives Angus L.K. McKelvey, Chair; Isaac W. Choy, Vice Chair; and Members of the House Committee on Economic Revitalization and Business

Subject: HB 985, Relating to Procurement
TESTIMONY IN SUPPORT

Dear Chair McKelvey, Vice Chair Choy, and Committee Members,

The American Council of Engineering Companies of Hawaii (ACECH) represents 67 member firms with over 1,300 employees throughout Hawaii, most of which are small businesses. We are comprised of the most highly qualified engineers, land surveyors, scientists, and other specialists. ACECH strongly supports SB 985, Relating to Procurement, with the following revision on page 6, lines 1 and 2 to read as follows:

“conceptual design fee that will be provided to unsuccessful offerors who submit a technically-responsive offer;”

HB 985 would provide for the procurement of design-build contract teams in a manner used by the Federal Government and many other jurisdictions. It would establish a two-step process for procuring design-build teams. At the first stage, potential design-build teams would submit their qualifications particular to the proposed project. A selection committee would select the most qualified teams (up to five) that would then proceed to the second proposal stage. The two-step process serves to reduce industry costs in responding to requests for design-build proposals, to encourage the most qualified design-builders to participate by increasing their chances of success, and to reduce the cost to the agency of reviewing the proposals.

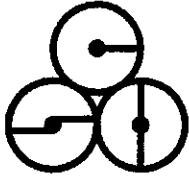
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We appreciate the opportunity to provide testimony regarding HB 985. Please do not hesitate to contact us if you have any questions regarding our testimony.

Respectfully submitted,

AMERICAN COUNCIL OF ENGINEERING COMPANIES OF HAWAII

Sheryl E. Nojima, PhD, PE
President



**CONSULTING
STRUCTURAL HAWAII, INC.**
931 Hausten Street, Suite 200
Honolulu, Hawaii 96826
Phone: (808) 945-0198 • Fax: (808) 944-1177
e-mail: csh@consultingstructuralhawaii.com

February 6, 2011

**House Committee on Economic Revitalization and Business
Hearing Date: Tuesday, February 8, 8:00 a.m., Conference Room 312**

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and Members of the House Committee on Economic Revitalization and Business

**Subject: HB 985, Relating to Procurement
TESTIMONY IN SUPPORT**

Dear Chair McKelvey, Vice Chair Choy, and Committee Members,

Consulting Structural Hawaii, Inc. **strongly supports SB 985, Relating to Procurement.** HB 985 would provide for the procurement of design-build contract teams in a manner used by the Federal Government and many other jurisdictions. Consulting Structural Hawaii, Inc. has been involved in many design-build projects. We have been a consultant to the owner to prepare the Request for Procurement (RFP) documents and have also been a consultant to contractor's as their structural engineer/designer.

HB 985 would put in place a two-step process for procuring design-build teams. At the first stage, potential design-build teams would submit their qualifications particular to the proposed project. A selection committee would select the most qualified teams (up to five) that would then proceed to the second proposal stage. The two-step process serves to reduce industry costs in responding to requests for design-build proposals, to encourage the most qualified design-builders to participate by increasing their chances of success, and to reduce the cost to the agency of reviewing the proposals.

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We appreciate the opportunity to provide testimony regarding HB 985. Please do not hesitate to contact us if you have any questions regarding our testimony.

Respectfully submitted,
Roy K. Yamashiro, P.E., Principal
Consulting Structural Hawaii, Inc.