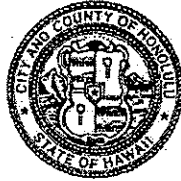


LATE TESTIMONY

DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813
PHONE: (808) 768-3900 • FAX: (808) 768-3179 • INTERNET: www.honolulu.gov

PETER B. CARLISLE
MAYOR



MICHAEL R. HANSEN
DIRECTOR

February 28, 2011

The Honorable Will Espero, Chair
and Members

The Senate

Committee on Public Safety, Government Operations, and Military Affairs

The Twenty-Sixth State Legislature

State Capitol

Honolulu, Hawaii 96813

Dear Chair Espero and Members:

Subject: Senate Bill No. 263 Relating to Procurement, Bid Requirements

The City & County of Honolulu opposes this bill because it imposes additional, mandatory requirements that the bid opening be delayed for an extra two-day period after bids have already been submitted to await the separate submittal of the listing of subcontractors. This would delay the procurement award by two-days and further complicate the bid process by requiring two separate submittals by the bidders. As a result, administrative processing requirements would be increased.

Furthermore, there is no apparent benefit to a contracting government agency or to the taxpaying public from the proposed two-day delay. Should an agency have reason and desire to provide for this proposed delay, the existing statute does not prohibit a delay or related action. We believe that this bill is unnecessary.

Accordingly, we stand opposed to S.B. 263. Thank you for the opportunity to testify.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael R. Hansen", written in a cursive style.

Michael R. Hansen, Director
Budget & Fiscal Services

LATE TESTIMONY

From: Debbie [DB-MSM@Hawaii.rr.com]
Sent: Tuesday, March 01, 2011 11:09 AM
To: PGM Testimony
Subject: SB 263 & SB 264

To whom it may concern,

Master Sheet Metal, Inc. is a subcontractor and is opposed to SB 264 and SB 264. Subcontractor listing is a fairer way to ensure a level playing field between subcontractors and generals.

Thank you very much,
Debra Botelho
Master Sheet Metal, Inc.
1648 Auiki St.
Honolulu, HI 96819
Ph. 847-2128
Fax 847-0378
db-msm@hawaii.rr.com



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LATE TESTIMONY

Century Square-1188 Bishop St., Ste. 1003
Honolulu, HI 96813-3304
Ph: (808) 537-1224* Fax (808) 533-2739

March 1, 2011

Testimony To: Senate Committee on Public Safety, Government Operations, and Military Affairs
Senator Will Espero, Chair

Presented By: Leilani Olinger
President

Subject: S.B. 263 – RELATING TO PROCUREMENT
S.B. 264 – RELATING TO PROCUREMENT

Chair Espero and Members of the Committee:

I am Leilani Olinger, President of the Hawaii Flooring Association and we are opposed to these bills.

The subcontractor listing clause exists in order to ensure that there is fairness in bid practices. This is an area that does not need government intervention except to the extent of requiring the subcontractor listing clause. The subcontractor listing clause exists in order to ensure that there is fairness in bid practices. With reference to S.B. 263, the additional two (2) day period that is suggested in this case only allows general contractors to go bid shopping for an additional two (2) days to see how successfully they can get the price down for the same work. In fact, their bargaining power between one subcontractor and another subcontractor is only to the detriment of those subcontractors, not to the benefit of the general public or the taxpayers.

Based on the above, we cannot endorse these bills.

Thank you.

LATE TESTIMONY



ROOFING CONTRACTORS ASSOCIATION OF HAWAII

Century Square-1188 Bishop St., Ste. 1003 Honolulu, HI 96813-3304

Phone (808) 537-1224*Fax: (808) 533-2739

March 1, 2011

Testimony To: Senate Committee on Public Safety, Government Operations, and Military Affairs
Senator Will Espero, Chair

Presented By: Charlie Beeck
President

Subject: S.B. 263 – RELATING TO PROCUREMENT
S.B. 264 – RELATING TO PROCUREMENT

Chair Espero and Members of the Committee:

I am Charlie Beeck, President of the Roofing Contractors Association of Hawaii and we are in strong opposition of these bills.

We believe that these two (2) bills will only increase "bid-shopping" so general contractors may see how successfully they can leverage the subs. In fact, their bargaining power between one subcontractor and another subcontractor is only to the detriment of those subcontractors, not to the benefit of the general public or the taxpayers.

Based on the consequences of this bill, we cannot endorse it.

Thank you.

LATE TESTIMONY



HAWAII PEST CONTROL ASSOCIATION

Century Square - 1188 Bishop St., Ste. 1003**Honolulu, HI 96813-3304

Phone: (808) 533-6404**Fax: (808) 533-2739

March 1, 2011

Testimony To: Senate Committee on Public Safety, Government Operations, and Military Affairs
Senator Will Espero, Chair

Presented By: Jonathan Montalbo
President

Subject: S.B. 263 - RELATING TO PROCUREMENT
S.B. 264 - RELATING TO PROCUREMENT

Chair Espero and Members of the Committee:

I am Jonathan Montalbo, President of the Hawaii Pest Control Association. The HPCA represents over 90% of all pest control companies in the State of Hawaii. We are strongly opposed to both these bills.

These bills would carve out an exemption for the listing of subcontractors. We are not sure that we understand the reasoning for that other than the fact that that general contractors do not want to list subcontractors because it gives them flexibility to leverage one subcontractor against another subcontractor. The amount of the bid is irrelevant. We either have fairness or we don't; we either have cheating or we don't.

Based on the above, we cannot endorse this bill and cannot recommend its passage.

Thank you.

LATE TESTIMONY



Century Square
1188 Bishop St. Ste. 1003
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PACIFIC INSULATION
CONTRACTORS ASSOCIATION

March 1, 2011

Testimony To: Senate Committee on Public Safety, Government Operations, and Military Affairs
Senator Will Espero, Chair

Presented By: Ronald Labanon
President

Subject: S.B. 263 - RELATING TO PROCUREMENT
S.B. 264 - RELATING TO PROCUREMENT

Chair Espero and Members of the Committee:

I am Ronald Labanon, President of the Pacific Insulation Contractors Association and we oppose these bills.

These particular bills would carve out an exemption for the listing of subcontractors. We are not sure that we understand the reasoning for that other than the fact that it is obvious that general contractors do not want to list subcontractors because it provides them flexibility and the opportunity to leverage one subcontractor against another subcontractor.

Based on the above, we cannot endorse this bill and cannot recommend its passage.

Thank you.