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GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

February 24, 2011

LATE

TO: THE HONORABLE SENATOR DAVID Y. IGE, CHAIR AND MEMBERS OF THE
COMMITTEE ON WAYS AND MEANS

SUBJECT: S.B.725, SD1 RELATING TO SOLID WASTE.

NOTICE OF DECISION MAKING

DATE: Friday, February 25, 2011
TIME: 9:00 a.m.
PLACE: Conference Room 211

Dear Chair Ige and Members of the Committee:

The General Contractors Association (GCA), an organization comprised of over five hundred and eighty (580) general contractors, subcontractors, and construction related firms, **opposes** the passage of S.B. 725, SD1 Relating to Solid Waste.

This bill “applies the solid waste surcharge to waste that is deposited in landfills, incinerators, or waste-to-energy facilities, whether the waste is disposed of in-state or transferred out of state.”

This bill increases the cost of waste reduction, recycling and renewable energy facilities. These increased costs are passed along to contractors and owners. It will raise the cost of all construction projects, such as rail, transit-oriented development, shipyard maintenance, as well as commercial and residential building and renovation.

Waste-to-energy facilities should be considered as recycling and renewable energy facilities as they decrease our dependence on oil. By adding surcharges on these disposal methods that also divert waste from Hawaii’s landfills, we are discouraging these alternatives and moving away from the State’s sustainability goals.

We are also very concerned about the sudden implementation of this increased cost for construction. Many of our members have existing contracts in place for which Contractors had based their costs on the known disposal costs at the time of the bidding process. Any sudden increase in disposal costs after award of the contract will lead to unanticipated cost increases to the contractors which may not be recovered from the owner.

We recommend that S.B.725, SD1 be held.

Thank you for the opportunity to provide comments.