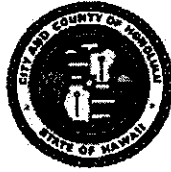


DEPARTMENT OF TRANSPORTATION SERVICES
CITY AND COUNTY OF HONOLULU

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KENNETH TORU HAMAYASU, P.E.
DEPUTY DIRECTOR

March 18, 2011

RT3/11-408736

VIA EMAIL: TRNtestimony@Capitol.hawaii.gov

The Honorable Joseph Souki, Chair
Committee on Transportation
House of Representatives
Hawaii State Capitol
Honolulu, Hawaii 96813

The Honorable Angus McKelvey, Chair
Committee on Economic Revitalization & Business
House of Representatives
Hawaii State Capitol
Honolulu, Hawaii 96813

Dear Chair Souki, Chair McKelvey, and Members of the Committees:

Subject: Senate Bill 823, SD1 Relating to Procurement
Committee on Transportation and
Committee on Economic Revitalization & Business
Monday, March 21, 2011, at 10:45 am

Please find the attached testimony relating to the above-referenced bill.

If you should have any further questions, please do not hesitate to contact me at
768-8343.

Sincerely,

Handwritten signature of Kenneth T. Hamayasu in black ink.
Kenneth T. Hamayasu
Deputy Director

Attachment

PRESENTATION OF
DEPARTMENT OF TRANSPORTATION SERVICES
CITY AND COUNTY OF HONOLULU
TO THE HOUSE COMMITTEE ON TRANSPORTATION AND
THE HOUSE COMMITTEE ON ECONOMIC
REVITALIZATION AND BUSINESS
TWENTY-SIXTH STATE LEGISLATURE
REGULAR SESSION, 2011
MONDAY, MARCH 21, 2011, 10:45 AM
TESTIMONY ON SENATE BILL 823, SD1
RELATING TO PROCUREMENT

TO THE HONORABLE JOSEPH M. SOUKI, CHAIR
THE HONORABLE ANGUS L.K. McKELVEY, CHAIR
AND MEMBERS OF THE COMMITTEES:

The Department of Transportation Services, City and County of Honolulu, appreciates the opportunity to testify on Senate Bill 823, SD1, Relating to Procurement Procedures. I am Toru Hamayasu, Deputy Director of the Department of Transportation Services. The Department supports this measure, and urges this committee to amend the Senate draft to correct the defective implementation date.

On November 2, 2010, the voters of the City and County of Honolulu approved an amendment to the City Charter to establish a semi-autonomous public transit authority responsible for the planning, construction, operation, maintenance, and expansion of the City's fixed guideway mass transit system.

The transit authority, known officially as the Honolulu Authority for Rapid Transportation (HART), will provide for timely and efficient management of the rail transit system, with sound principles and objectives for project delivery. It would also work hand-in-hand with the City Council and include the public in crucial issues such as bond sales, and land acquisitions, further enhancing transparency and accountability.

Senate Bill 823, SD1 would allow the director of HART to act as a procurement officer for the City and County of Honolulu to oversee contracts related to the Honolulu Rail Transit project. As specified by the City Charter, HART would begin operations on July 1, 2011; thus, Senate Bill 823, SD1 must be amended so it takes effect on or before this date.

Thank you for giving us the opportunity to work with you to carry out the wishes of the electorate of the City and County of Honolulu and ensure that the Honolulu Rail Transit project is executed in an effective and efficient manner. I will be happy to answer any questions the members of the Committee may have.

ichiyama3 - Cu Ri

From: mailinglist@capitol.hawaii.gov
Sent: Friday, March 18, 2011 1:10 AM
To: TRNtestimony
Cc: swartzg001@hawaii.rr.com
Subject: Testimony for SB823 on 3/21/2011 10:45:00 AM

Testimony for TRN/ERB 3/21/2011 10:45:00 AM SB823

Conference room: 309
Testifier position: support
Testifier will be present: No
Submitted by: gregory swartz
Organization: Individual
Address:
Phone:
E-mail: swartzg001@hawaii.rr.com
Submitted on: 3/18/2011

Comments:

March 17, 2011

The Honorable Joseph M. Souki, Chair
The Honorable Linda Ichiyama, Vice Chair House Committee on Transportation

The Honorable Angus L.K. McKelvey, Chair The Honorable Isaac W. Choy, Vice Chair House Committee on Economic Revitalization and Business

Dear Chairs and Members:

I fully support the enactment of S.B. No. 823. Although I am currently retired, before that I spent over 20 years of my legal career providing assistance in support of public rail transit systems, first with the District of Columbia where I served as counsel and assistant to the Chair of City Council's Transportation Committee in his role as Chairman of the Washington Metropolitan Area Transit Authority ("WMATA"), then as the transportation and congressional relations officer with two D.C. Mayors, and later with the Honolulu City Government during our attempts to build rail with an innovative turnkey procurement in the early 1990's and then as a last resort the BRT afterwards. During this time, I spent a considerable amount of time on procurement and contract administration matters, from traditional design and construction contracts to turnkey design/build contracts as well as procurement of transit equipment and professional services.

I can not overemphasize the need to give a significant measure of independence to the public transit authority charged with the construction, operation and maintenance of a major rail system, including independent procurement authority. Such independence is essential to effective procurement and administration of the complex contracts involved in transit systems. Public transit systems need to be operated more in line with private businesses than government agencies.

Frankly, I am concerned that some of the present procurement rules, procedures and limitations imposed on government agencies may not be fully compatible with the operation of the public transit authority. However, further modifications to these rules and procedures will have to be considered in the future. It is critical that S.B. No. 823 be passed now.

Thank you for your consideration.

Sincerely,

Gregory J. Swartz, Esq.