

BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU
630 SOUTH BERETANIA STREET
HONOLULU, HI 96843



March 20, 2013

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ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

ELLEN E. KITAMURA, P.E.
Deputy Manager and Chief Engineer

The Honorable Donovan M. Dela Cruz, Chair
and Members
Committee on Economic Development, Government
Operations and Housing
State Senate
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Dela Cruz and Members:

Subject: House Bill No. 1374, House Draft 1, Senate Draft 1, Relating to Procurement

Thank you for the opportunity to provide testimony on House Bill No. 1374, House Draft 1, Senate Draft 1, relating to procurement.

The Board of Water Supply (BWS), City and County of Honolulu, opposes House Bill No. 1374, House Draft 1, Senate Draft 1, which amends Section 103D-203, Hawaii Revised Statutes (HRS) subsection (b) and offers proposed amendments for consideration by this committee. The bill proposes to revise Section 103D-203, HRS, subsection (b) by removing the managers and chief engineer, of the boards or departments of water supply as designated by county charter, as the chief procurement officer and replace it with a person designated by the boards or departments.

The Revised Charter of the City and County of Honolulu (RCH) tasks the Manager and Chief Engineer with administering the affairs of the department (Section 7-106(a); and signing all necessary contracts for the BWS (Section 7-106(c):

Section 7-106. Powers, Duties and Functions of the Manager and Chief Engineer --

The manager and chief engineer shall:

- (a) Administer the affairs of the department, including the rules and regulations adopted by the board.
- (c) Unless otherwise provided by this charter, sign all necessary contracts for the department.

The RCH also defines the department as well as the Board in:

Section 7-102. Definitions –

1. The terms “department” and “board” as used in this article of the charter shall have the following meaning:
 - a. “Department” shall mean the governmental unit known as the “board of water supply” unless the context indicates otherwise.
 - b. “Board” shall mean the policy-making body, consisting of seven members of the board of water supply.

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The RCH further defines in:

Section 7-103. Powers, Duties and Functions of the Department --

1. All water systems of the city, including water rights and water sources, together with all materials, supplies and equipment and all real and personal property used or useful in connection with such water systems shall be under the control of the department.
2. The department shall have full and complete authority to manage, control and operate the water systems and properties used or useful in connection with such water systems.
3. The department shall:
 - (d) Make contracts necessary or convenient to the execution and performance of its powers, duties and functions.

The BWS currently has a Procurement Office which ensures that the department is in compliance with Chapter 103D; Hawaii Public Procurement Code (HRS) and administers all procurements for the department.

As the Manager and Chief Engineer is responsible for the operation, management, and affairs of the department and the board is responsible for policy making, the BWS respectfully requests that House Bill No. 1374, House Draft 1, Senate Draft 1 be held in committee.

Thank you for your consideration of our testimony on House Bill No. 1374, House Draft 1, Senate Draft 1.

Very truly yours,


ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

Cc: Kauai Department of Water
Maui Department of Water
Hawaii Department of Water