

OFFICE OF ENTERPRISE TECHNOLOGY SERVICES

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Testimony of
DOUGLAS MURDOCK
Chief Information Officer
Enterprise Technology Services

Before the

HOUSE COMMITTEE ON LEGISLATIVE MANAGEMENT
Wednesday, February 13, 2019

HOUSE BILL 1426
RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

Dear Chair Cullen, Vice Chair Nakashima and members of the committee:

The Office of Enterprise Technology Services (ETS) supports this measure, which appropriates operating and CIP budgets for the Department of Accounting and General Services. We submit comments as it pertains to the operating and CIP budgets for our program IDs AGS 130 and AGS 131.

We respectfully request that the budget appropriations listed in items K-20 and K-21 in HB No. 964 from the Governor’s Executive Budget be inserted in this bill. These figures include our current expenditures as appropriated in Act 53, SLH 2018, with collective bargaining adjustments as well as additional funding requests.

Below is the information in budget format.

ITEM NO.	PROGRAM	PROGRAM ID	EXPENDING AGENCY	FISCAL YEAR 2019-2020	M O F	FISCAL YEAR 2020-2021	M O F
K 20	INFORMATION TECH & COMMUNICATION SVCS ENT TECH SVCS - GOVERNANCE & INNOVATION	AGS130					
	OPERATING			35.00 13.00		35.00 13.00	
			AGS	20,764,698 7.00	A	20,990,360 7.00	A
			AGS	1,469,669	B	1,469,669	B

AGS	3,000,000	U	3,000,000	U
AGS	1,800,000	C		

K ENT TECH SVCS-OPER & INFRASTRUCTURE
 21 MNTNCE

AGS131

	92.00		92.00	
	15,050,939	A	15,050,939	A
	1.00		1.00	
	173,560	B	173,560	B
	33.00		33.00	
	3,312,584	U	3,312,584	U
	5,015,000	C	6,000,000	C

The following AGS 130 new operating budget requests are included in the bill. We are providing written testimony on these items to support of your review of the bill. We stand ready to provide additional information as needed.

Request for Special Fund ceiling increase. This request increases the special fund ceiling for AGS 130 by \$150,000 each year for the Shared Services Technology Special Fund, which is necessary to address increasing fringe benefit costs. There is enough revenue in the fund to support the expenditure ceiling increase.

Request for Cybersecurity Capability enhancements. This request appropriates \$1,038,240 in FY 20 and \$1,263,902 in FY 21. Cyber security is the process of protecting and recovering networks, devices, and programs from any type of cyberattack. Cyberattacks are an evolving danger to organizations, employees, and consumers. They may be designed to access or destroy sensitive data or extort money. They can, in effect, destroy businesses and damage people’s financial and personal lives.

The best defense is a strong cyber security system with multiple layers of protection spread across computers, networks, and programs. This request provides the various tools needed to build a strong defense to recognize and avoid threats before they’re able to infiltrate our network.

Request for Mobile Device Manager (MDM) software. This request adds \$150,000 in each year of the biennium. Mobile device management (MDM) solutions provide organizations with end-to-end security — meaning the mobile apps, network and data used by the mobile device (in addition to the mobile device itself) are managed by an organization's IT department with a single mobile device software product. This is a way to control and secure the personal digital assistants, smartphones, tablets and laptops that employees use. With technology becoming more accessible, allowing employees to conduct business anytime and anywhere, it is important to have controls in place to prevent malicious activity on mobile devices. MDM allows mobile

devices that are used for State business to be managed to ensure devices are kept up to date, patched and could be wiped in the event the device is lost or stolen.

We appreciate your consideration of new Capital Improvement Project requests in AGS 130 and AGS 131 for the following:

Request for new uninterruptable power supply (UPS) (AGS130). This request appropriates \$1,800,000 in AGS 130 for replacing the large uninterruptable power supply (UPS) and upgrading the electrical circuit panel at the Kalanimoku state data center. The current UPS is beyond its 15-year expected life. The data center houses important servers, network equipment and systems for statewide operations. This upgrade will give the Data Center necessary power redundancy. The state will also benefit from reduced electric consumption which translates to monthly cost savings.

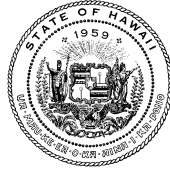
Currently, there are two UPS's, a 225 kVA and a 150 kVA. The existing 225kVA UPS became operational in September of 2001 and the 150 kVA UPS became operational in November of 2005. They are now 17 and 13 years old, respectively, and have reached their recommended service life of 12-14 years. The batteries for both UPS's were last replaced in November of 2015. They will be 4 years old in 2019 and would need to be replaced. Rather than allocating funds towards battery replacement, it would be more economically efficient to direct those funds towards a new UPS. Acquiring factory Original Equipment Manufacturer (OEM) parts is getting more difficult and costlier. Also, many current circuit panels in the Data Center are either obsolete or cannot be repaired due to the unavailability of parts. It is very difficult to find available circuit space to expand the State's IT infrastructure.

Continued work on radio site improvements (AGS131). Appropriates \$4,650,000 in FY 20 and \$6,000,000 in FY 21. The funding will add to state-owned radio and fiber optic links to enable state agencies to connect to the ANUENUE and HAWAIIAN systems. The towers and antennas will be used to support new radio links to increase overall capacity, provide redundancy, and prepare for additional public safety communication payloads, allowing the state to expand communication coverage to include areas that currently lack or have insufficient coverage.

Radio system enhancement (AGS131). This request appropriates \$365,000 to support DLNR radio connectivity. GreenNet is DLNR's land mobile radio system that supports various law enforcement divisions in the department. The upgrades proposed will provide DLNR with statewide connectivity that will allow GreenNet to be fully supported and operational. As DLNR partners with ETS, the cost savings are seen in both the initial purchase and the follow-on maintenance. By having GreenNet maintained as part of the HIWIN system, the State saves over \$150,000 annually.

Thank you for this opportunity to provide testimony on this bill.

DAVID Y. IGE
GOVERNOR



CURT T. OTAGURO
COMPTROLLER
AUDREY HIDANO
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

TESTIMONY OF
CURT T. OTAGURO
COMPTROLLER, DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
BEFORE THE
HOUSE COMMITTEE ON LEGISLATIVE MANAGEMENT
ON
FEBRUARY 13, 2019, 2:00 P.M.
CONFERENCE ROOM 312, STATE CAPITOL

H.B. 1426, RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
H.B. 1432, RELATING TO THE BUDGET OF THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

Chair Cullen, Vice Chair Nakashima, and Members of the Committee, thank you for the opportunity to testify before you on H.B. 1426 and H.B. 1432.

The Department of Accounting and General Services (DAGS or Department) is in support of H.B. 1426 which establishes additional amounts and positions to be appropriated and authorized for the Department's fiscal biennium (FB) 2019-2021 operating budget in Part I of the measure, and funding for Capital Improvement Projects (CIP) in Part II. The Department supports the intent of H.B. 1432 to reflect the Department's resource requirements by establishing the operating budget of the programs under review for FB 2019-2021 and offers comments.

OVERVIEW OF DAGS

The mission of the Department is to attain maximum value for the state taxpayers in providing physical, financial, and technical infrastructure support for state departments and agencies, so they may accomplish their missions. The Department's goal is to strive for quality

and consistency in the delivery of essential support services and our activities reflect a continuing commitment towards cost efficiency, productivity, relevancy and timeliness of services.

DAGS programs under the purview of this committee include:

- AGS-102 Expenditure Examination
- AGS-111 Archives-Records Management
- **AGS-130 Enterprise Technology Services - Governance and Innovation**
- **AGS-131 Enterprise Technology Services - Operations and Infrastructure Maintenance**
- AGS-221 Public Works-Planning, Design, and Construction
- AGS-223 Office Leasing
- AGS-231 Central Services -Custodial Services
- AGS-232 Central Services-Grounds Maintenance
- AGS-233 Central Services-Building Repairs and Alteration
- **AGS-244 Surplus Property Management**
- AGS-252 Automotive Management - Parking Control
- **AGS-889 Spectator Events & Shows-Aloha Stadium**

The following provides details for the capital improvement projects under review by this committee, with these exceptions: Enterprise Technology Services (ETS) programs (AGS 130 and AGS 131) and attached agencies, Spectator Events and Show – Aloha Stadium (AGS 889) and Surplus Property Management (AGS 244), will submit testimony separately for your consideration.

H.B. 1426

The Department supports this measure as it proposes to fund the operating requests and capital improvement projects as requested in the Governor’s executive biennium budget for the select programs under review by the committee.

A. Budget Requests – Operating:

<u>Prog ID</u>	<u>Description of Addition</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
AGS102	Conversion of 1.00 Temporary Position to Permanent	A	1.00	(1.00)	\$ -	1.00	(1.00)	\$ -
<p>Two permanent positions authorized in Act 124, SLH 2016 with 6 months funding, for additional support for the Expenditure Examination program, were approved for full funding in Act 53, SLH 2018; however, both positions were also converted from Permanent to Temporary status. One of the positions was filled as of April 2017, while still a permanent position as authorized. This request is to convert the position back to permanent status from temporary as this position is a critical resource needed to meet ongoing operational needs of Central Payroll and provide support due to the increased complexity of collective bargaining agreements, federal and state reporting requirements, and statewide training requirements, as well as to implement and support new systems. The position performs functions that are permanent in nature.</p>								
			FY20			FY21		
<u>Prog ID</u>	<u>Description of Addition</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
AGS111	Add 1.00 permanent Office Assistant and Additional Operating Funds	A	1.00	-	\$ 92,240	1.00	-	\$ 107,940
<p>Personnel - The State Archives is requesting one additional FTE position due to increased utilization of the Public Research Room and State Archives' Services; increase in service requests has pushed the turnaround time from a target 7-10 days out to 6-8 weeks, with up to three months in the case of large orders. Other Current Expenses - funds for a contracted security guard to provide monitoring of the public research room and security cameras. This will provide a level of security corresponding to the importance of the items stored in the State Archives, reduce theft in the Public Research Room, and ensure that research room protocols are enforced. Funds are also requested for a) document shredding; insufficient funds has resulted the periodic annual deferral of destruction of eligible boxes, resulting in a multi-year backlogs that has greatly reduced capacity for incoming boxes, and b) specialty archival supplies for the rehousing of archival photographs and records.</p>								
AGS111	Add Funds for IT Services	B	-	-	\$ 200,000	-	-	\$ -
<p>The Digital Archives is moving into production and is requesting a \$200,000 one-time expenditure authority for testing and rollout of the Digital Archives preservation system. As the system has the responsibility of preserving digital records of enduring legal, historical and fiscal value in an authentic state in perpetuity, it is essential that the system function as designed to international standards. Having a set of outside analysts review, comment and improve the system is an important part of ensuring the highest quality product we can produce.</p>								
AGS233	Eliminate Interdepartmental Transfer "U" Fund for AAFES Building Maintenance	U	-	-	\$ (100,000)	-	-	\$ (100,000)
<p>With the AAFES building turned over to OHA, the fund which had set aside \$100,000 for yearly maintenance of the building is no longer necessary.</p>								

Prog ID	Description of Addition	MOF	FY20			FY21		
			Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$
AGS231	Add one Building Manager Position and Funds	A	1.00	-	\$ 26,478	1.00	-	\$ 52,956
<p>Currently 3 Building Managers oversee the servicing of some 70+ state facilities that require building management services that address custodial cleaning services, building machinery problems such as air conditioning, elevator operation etc. State buildings have also been impacted by homeless and vagrants using the buildings as a temporary resting area resulting in health and safety concerns/complaints from building occupants. One additional building manager to our existing three building managers will enable the geographical area to be split more equitably and increase efficiency and response time to building occupant concerns and lead to faster resolution to problems.</p>								
AGS232	Add funds for Motor Vehicle Purchase - Replacement of 3/4 ton Refuse Truck	A	-	-	\$ 300,000	-	-	\$ -
<p>The existing refuse truck is 15 years old and has nearly 145,000 miles. The program has only one refuse truck and mechanical breakdowns are occurring more frequently. When the refuse truck is down, the use of private vendors is not a viable option because their existing equipment cannot pickup the state's trash bins. A replacement truck is sought as the truck has exceeded its useful life of 10 years and the program is facing increasing repair costs.</p>								
AGS221	Add 3.00 Permanent Positions and Funding for P3 Staffing and Related Requirements	A	3.00	-	\$ 156,453	3.00	-	\$ 300,906
<p>The request is to provide for three positions and related furnishings and equipment to staff a P3 (public-private partnership) office within the Public Works Division (PWD), Public Works Administrator's office. The requested positions will provide internal staffing to provide assistance to other State departments and agencies for the identification, definition, procurement and oversight of the development of P3 structures and the related contractual arrangements of such public-private partnerships on behalf of the State. Other support will include developing guidelines and related templates, training, and other resource support to other State departments and agencies. As many of these projects will include a planning, design, and construction component to the overall structure of these arrangements, this function is expected to closely coordinate their efforts with the existing Planning, Project Management, Construction Management and Leasing branches within PWD.</p>								

B. Budget Requests – CIP:

<u>Prog ID</u>	<u>Project Title</u>	<u>MOF</u>	<u>FY20 \$\$\$ (000)</u>	<u>FY21 \$\$\$ (000)</u>
AGS111	KEKAULUOHI HALON REPLACEMENT, OAHU	C	\$ 650	\$ -
AGS111	KEKAULUOHI BACKUP GENERATOR, OAHU	C	\$ 500	\$ -
AGS130	KALANIMOKU DATA CENTER UPS REPLACEMENT AND UPGRADE ELECTRICAL CIRCUIT PANEL, OAHU	C	\$ 1,800	\$ -
AGS130	ETS CYBERSECURITY CAPABILITY ENHANCEMENTS, OAHU	C	\$ 3,000	\$ 218
AGS131	LUMP SUM HEALTH AND SAFETY, INFORMATION AND COMMUNICATION SERVICES DIVISION, STATEWIDE	C	\$ 4,650	\$ 6,000
AGS131	RADIO SYSTEM ENHANCEMENT, STATEWIDE	C	\$ 365	\$ -
AGS221	LUMP SUM MAINTENANCE OF EXISTING FACILITIES, PUBLIC WORKS DIVISION, STATEWIDE	C	\$30,000	\$ -
AGS221	STATE CAPITOL BUILDING, OAHU	C	\$ 1,480	\$ -
AGS221	WASHINGTON PLACE, HEALTH AND SAFETY AND QUEEN'S GALLERY RENOVATION, OAHU	C	\$ 100	\$ 2,000
AGS233	LUMP SUM FIRE ALARM SYSTEMS REPLACEMENT & UPGRADE,	C	\$ 300	\$ 2,000
AGS881	No.1 CAPITOL DISTRICT BUILDING, SITE & ACCESSIBILITY IMPROVEMENTS, OAHU	B	\$ -	\$ 1,200
AGS889	LUMP SUM HEALTH AND SAFETY, ALOHA STADIUM, OAHU	C	\$20,000	\$10,000
TOTAL REQUEST			\$62,845	\$21,418

1. AGS111 - ARCHIVES-RECORDS MANAGEMENT

Adds \$650,000 in FY 20 for replacement of the Kekauluohi Building's Halon Fire Suppression System, Oahu.

Design, Construction, and Equipment to replace the Halon Gas Fire Suppression system with non-ozone depleting gas (FM-200 or equivalent). Existing fire detection/control system (control panel, smoke detectors, and tank ignitors) have already been upgraded in 2018 to be compatible with the new system. The current fire suppression system in the State Archives Vault uses Halon 1301 agent that has been banned from manufacturers since 1994 as a known ozone depletant. Alternative to replacing the current system is recharging the current Halon tanks with more halon, which would cost more than replacing the entire system with a more modern, safer alternative and require removing the tanks and shipping them by boat to California for recharge and shipping them back, maintaining a 24-hour fire watch in the interim. If the system deploys, recharging the fire suppression system will be extremely difficult as the remaining Halon 1301 agent is extraordinarily expensive if it can be found at all. Improvement to include relocating the tanks to a centralized location that provides access that does not require dismantling shelving to access tanks.

2. AGS111 - ARCHIVES-RECORDS MANAGEMENT

Adds \$500,000 in FY 20 for a backup generator for the Kekauluohi Building, Oahu.

The scope of the project is to add a backup generator into the existing ATS that was added in 2018 as part of the State Archives Chiller upgrade to provide continued operation of the environmental controls of Archival Storage during power outages at the State Archives. Currently, there is no redundant power options available at the State Archives. If power is out for more than a day or two, mold bloom on very important legal and historic records are a real and present possibility. Once mold starts, cleanup becomes a health hazard, a public records access issue (denial of access) and very expensive long-term treatment. An ATS power transfer unit was added with the 2018 chiller upgrade to the Archival Storage Environmental controls, but to utilize this alternate means of providing power would require bringing in a generator from a third-party contractor. Secondary power source will ensure continued environmental control over the most important legal and historic records in Hawaii Government in the event of an extended natural disaster.

3. AGS221 - PUBLIC WORKS-PLANNING, DESIGN, AND CONSTRUCTION

Adds \$100,000 in FY 20 and \$2,000,000 in FY 21 for Washington Place, Health and Safety and Queen's Gallery Renovation, Oahu.

Project includes lead-based paint abatement/encapsulation, building code requirements (structural, electrical, plumbing, ventilation, and building envelope), and ADAAG requirements for primary access routes. Due to the broad nature of this project, associated and integral to this work is renovation for building preservation with the retention of existing historic material.

Washington Place, a prime representation of American Greek revival style, is historically highly significant in Hawaii's history as "Beretania," the site of early British settlement in Hawaii; later as the home of Queen Liliuokalani and home of the Governors of Hawaii since 1919. It is the oldest home in Hawaii that was still in use as a residence up to 2002 and one of the oldest and most historically valuable Governor's mansions in the United States. Certain elements are believed to be the finest examples of 1840's American architectural detailing in existence. Washington Place is listed in the National and State Historic Registries and received recognition as a registered National Landmark in 2007.

The primary goal in the renovation is to perpetuate the public benefit and safe enjoyment of Washington Place through its preservation, with the retention of existing historic material.

4. AGS221 - PUBLIC WORKS-PLANNING, DESIGN, AND CONSTRUCTION

Adds \$1,480,000 in FY 20 for repairs to the State Capitol Building, Oahu.

Work will include critical health and safety and/or operational improvements essential to the safe, effective, and efficient operation of this historic facility to meet its unique function. Projects may include, but not be limited to, elevator upgrades, HVAC system upgrades, and structural renovation or upgrades.

The Hawaii State Capitol is approaching the 50th anniversary of its original construction and work must continue to provide critical health and safety renovations and upgrades to ensure safe, effective, and efficient operation of this historic facility to meet its unique function.

5. AGS221 - PUBLIC WORKS-PLANNING, DESIGN, AND CONSTRUCTION

Adds \$30,000,000 in FY 20 for Lump Sum Maintenance of Existing Facilities, Statewide.

Building systems and sites will receive necessary major upgrades and maintenance that is required to protect our facilities and occupants from damage or injury due to deteriorated conditions. Repair/upgrade will be more comprehensive than would be possible under routine maintenance and will help allay larger costs to address future failure if nothing is done. Future maintenance costs to repair items such as air conditioning systems, large potholes, leaking roofs and leaking fire sprinkler pipes in public facilities will be eliminated for those facilities that receive work. These projects will reduce the State's exposure to lawsuits and their associated costs and required manpower requirements.

These construction projects are essential to maintain DAGS-managed public facilities. The operational life span of many of our building systems has long-passed, and costs continue to escalate to maintain the obsolete systems. Failure of obsolete systems that are beyond repair pose health and safety risks for facility occupants. Urgent health and safety and mandated needs are included in this lump sum fund. This project will also ensure that those systems that are not being immediately replaced or upgraded will continue to function. Just as importantly, this project will be the stepping stone to allowing DAGS to proactively properly maintain all systems to protect our asset inventory.

6. AGS233 - CENTRAL SERVICES-BUILDING REPAIRS AND ALTERATIONS

Adds \$300,000 in FY 20 and \$2,000,000 in FY 21 for Lump Sum Fire Alarm Systems Replacement and Upgrade, Statewide.

Fire alarm system upgrades initially completed in select areas of buildings during partial renovation work would be completed for the remainder of the buildings. This provides more complete, effective coverage for the building to protect life and property.

Work is required to meet requirements as established by County Fire Departments during review and approval of building permits for State facility renovations. If work is not completed within established deadlines, fire alarm system permits for completed renovation may be revoked. The alternative may be to ask for time extensions to complete the upgrades, however, the State risks reduced performance of building-wide fire alarm systems in the interim.

H.B. 1432

The Department supports the intent of this measure to establish the operating budget of the FB 2019-2021 operating budget for the programs under review by the committee.

Pursuant to Section 26-6(b), HRS, the department shall (6) Undertake the program of centralized engineering and office leasing services, including operation and maintenance and lease buyback processing pursuant to subsection (d) of public buildings, for departments of the State.

- The **Public Works Division** supports the mission of the department by directing the expenditure of Capital Improvement Program (CIP) funds and operating funds released to the Department for projects specific to the Department's managed facilities and for CIP funds delegated to the Department as expending agency from the appropriations of other departments and agencies; plans, coordinates, organizes, directs, and controls a Statewide program of Engineering, Architectural, and Construction Services.
- The **Leasing Services Branch** was established pursuant to HRS, section 171-30 (b) in order to centralize office leasing services for all State agencies of the Executive Branch, with the exception of those programs who have statutory authority to perform this function on their own. The program assists user agencies in locating suitable office space, negotiates lease terms and conditions, including provisions for tenant improvements, and prepares lease agreements. The program staff act as tenant representatives by initiating and/or coordinating and managing necessary renovation projects for leased office space, monitoring and ensuring the delivery of proper services by landlord as provided in the lease, (i.e. repairs and maintenance, air conditioning, custodial services) and coordinating with the DAGS Central

Services Division in providing building operations and maintenance services where applicable. The program tracks existing office leases and renegotiates each as required. It processes invoices for lease payments and bills and collects lease rent reimbursements from user agencies, where applicable.

- The Public **Building Repair and Alterations Branch** operates to provide safe and functional facilities for other State Programs to operate and perform their duties. It provides for the overall management of repair and maintenance and a preventative maintenance program for all assigned State office buildings located in the civic center and outlying areas of Oahu; it also has agreements with the Department of Agriculture, Department of Health, Department of Human Services, Department of Transportation and the Hawaii State Public Library System to provide repair and maintenance support. The program also provides overall engineering support in identifying and implementing energy conservation measures.

Chapter 107-11 HRS authorizes the Department to construct, operate, maintain, and control parking on state lands under the State Comptroller's jurisdiction. The Automotive Management Parking Control program's functions include the following:

- Provide safe and convenient parking for employees and the public to access government buildings.
- Control, operate and maintain parking facilities with revenue from parking fees. Continue to generate revolving fund revenue necessary to construct, operate, improve and maintain parking facilities.
- Maintain a 100% utilization of employee parking stalls and 50% utilization of public parking meters.

We propose the following adjusted base operating budgets from which to consider any additional resources; this is the base budget as appropriated in Act 53, SLH 2018, plus base budget adjustments as provided by the Department of Budget and Finance (collective bargaining and non-recurring items):

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS			
				FISCAL YEAR 2019-2020	M O F	FISCAL YEAR 2020-2021	M O F
3.	AGS221	PUBLIC WORKS - PLANNING, DESIGN, AND CONSTRUCTION		91.00*		91.00*	
				3.00#		3.00#	
	OPERATING		AGS	7,150,251A		7,150,251A	
			AGS	4,000,000W		4,000,000W	
4.	AGS223	OFFICE LEASING		4.00*		4.00*	
	OPERATING		AGS	10,141,167A		10,141,167A	
			AGS	5,500,000U		5,500,000U	
5.	AGS233	CENTRAL SERVICES - BUILDING REPAIRS AND ALTERATIONS		33.00*		33.00*	
	OPERATING		AGS	3,365,285A		3,390,498A	
			AGS	100,000U		100,000U	
7.	AGS252	AUTOMOTIVE MANAGEMENT - PARKING CONTROL		27.00*		27.00*	
	OPERATING		AGS	3,838,016W		3,838,856W	

Thank you for the opportunity to submit testimony for funding at appropriate levels to facilitate our ability to fulfil our mission and we look forward to continued collaboration with your committee.

DAVID Y. IGE
GOVERNOR

CURT T. OTAGURO
COMPTROLLER



An Agency of the State of Hawaii

ROSS I. YAMASAKI
CHAIRMAN, STADIUM AUTHORITY

SCOTT L. CHAN
MANAGER

RYAN G. ANDREWS
DEPUTY MANAGER

TESTIMONY
OF
SCOTT L. CHAN, MANAGER
ALOHA STADIUM
STADIUM AUTHORITY
TO THE
HOUSE COMMITTEE
ON
LEGISLATIVE MANAGEMENT
February 13, 2019

H.B. 1426

RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

Chair Cullen, Vice Chair Nakashima, and members of the committee, thank you for the opportunity to submit testimony in support of H.B. 1426.

The Stadium Authority Board and I appreciate the Legislature's commitment and support in appropriating funds to address critical health and safety requirements necessary to continue to safely operate the existing Aloha Stadium facility while all parties concurrently address the details of a new facility and related ancillary development of the property. Passage of H.B. 1426 will help mitigate the impact of zero-funding for health and safety in the prior 2017-2019 biennium period.

For the upcoming biennium, to continue to address our most urgent health and safety requirements, the Stadium Authority is requesting the sum of \$30,000,000 in capital improvement funding (\$20,000,000/\$10,000,000, respectively, in each year of the biennium). This request aligns with and does not vary from the Governor's executive budget as presented in H.B. 964 and S.B. 126, Relating to the State Budget. The prioritization of urgent health and safety projects planned with the requested funding is based on a structural analyses completed by the structural engineering firm contracted to monitor and assess the ongoing condition of the Aloha Stadium facility.

As the Aloha Stadium is entrusted with continuing to serve the needs of the general public, it is imperative that funding is provided for critical health and safety repair work to ensure the safety of all parties involved.

We look forward to working with the Legislature and the Governor's Administration to address the goals, objectives, and mission statement of the Stadium Authority.

Thank you for the opportunity to provide this testimony in support of H.B. 1426.