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H.C.R. NO. 236

HOUSE CONCURRENT RESOLUTION

INVESTIGATING ALLEGED IMPROPRIETIES IN THE DEPARTMENT OF TRANSPORTATION'S AWARDING OF THE HONOLULU INTERNATIONAL AIRPORT'S WIKI WIKI SHUTTLE SERVICE CONTRACT.

WHEREAS, the Legislature finds that public service is a public trust; and

WHEREAS, for the individual public servant -- at all levels of government from the Governor, agency head, manager, and supervisor to the most junior staff person -- that means placing professional and job-related responsibilities before personal gain and individual interest; and

WHEREAS, to ensure that the purchasing of goods and services are conducted in an ethical manner that precludes even the mere appearance of impropriety, Chapter 103D, Hawaii Revised Statutes (HRS), the State Procurement Code, was enacted into law; and

WHEREAS, among other thing, Chapter 103D, HRS, requires competitive sealed bidding for service contract to ensure that the awarding of contracts are done in a fair and impartial manner; and

WHEREAS, in 2008, allegations were raised of improprieties in the state bidding process surrounding the Department of Transportation (DOT) and its awarding of a new contract to Roberts Hawaii to operate the Honolulu International Airport's Wiki Wiki Shuttle; and

WHEREAS, during the previous fall, DOT put out a request for proposal in which four companies responded; and

WHEREAS, the sealed bids were opened on November 29, 2007 and made public to those in attendance; and

WHEREAS, of the bidders participating in the process, Airport Service International Group (ASIG) submitted the second lowest bid, and Roberts Hawaii submitted the third lowest bid; and

WHEREAS, the DOT claimed that there was an omission in the Request-for-Proposal (RFP) and voided the original bids requiring the project to be rebid; and

WHEREAS, after amending the contract, the DOT sought new bids through an RFP and this time, only three companies responded; and

WHEREAS, when the new bids were opened on February 7, 2008, ASIG and another contender raised their bids to address additional work required under the specifications of the contract, while Roberts Hawaii lowered its original bid by \$250,000; and

 WHEREAS, upon receiving the contract from the DOT, Roberts Hawaii immediately changed the operations of the Wiki Wiki Shuttle by laying off 41 union workers who were previously employed with ASIG; and

WHEREAS, the "fast-tracking" of the new contractor and its employees (who need to have background checks done for the last 10 years, a commercial drivers license, and ramp license and the time to learn airport procedures and train on the type of vehicles to be driven) places compliance of public safety and Homeland Security procedures in jeopardy; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-Fifth Legislature of the State of Hawaii, Regular Session of 2010, the Senate concurring, that this body requests the Administrator and Chief Procurement Officer of the State Procurement Office to investigate the allegations of impropriety surrounding the awarding of the Wiki Wiki Shuttle contract to Roberts Hawaii and submit a report of findings and recommendations to the Legislature at least twenty days prior to the convening of the Regular Session of 2011; and

BE IT FURTHER RESOLVED that the Auditor is directed to audit the Department of Transportation in its management of the Wiki Wiki Shuttle contract to:



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- (1) Determine whether any violations of Chapter 103D, HRS, occurred; and
 - (2) Ascertain whether the "fast-tracking" of the new contract has resulted in any violations to public safety or Homeland Security procedures which would place the State in jeopardy of any federal sanctions;

and

BE IT FURTHER RESOLVED that the Auditor transmit a report of the findings and recommendations to the Legislature at least twenty days prior to the convening of the Regular Session of 2010; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Director of Transportation; the Auditor; the Chief Executive Officers of ASIG and Roberts Hawaii; and the Hawaii Teamsters & Allied Workers Union Local 996.

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