HOUSE OF REPRESENTATIVES TWENTY-FIFTH LEGISLATURE, 2010 STATE OF HAWAII H.R. NO. 166

HOUSE 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 1 2 public trust; and 3 4 WHEREAS, for the individual public servant -- at all levels of government from the Governor, agency head, manager, and 5 supervisor to the most junior staff person -- that means placing 6 professional and job-related responsibilities before personal 7 8 gain and individual interest; and 9 WHEREAS, to ensure that the purchasing of goods and 10 services are conducted in an ethical manner that precludes even 11 the mere appearance of impropriety, Chapter 103D, Hawaii Revised 12 Statutes (HRS), the State Procurement Code, was enacted into 13 law; and 14 15 WHEREAS, among other thing, Chapter 103D, HRS, requires 16 competitive sealed bidding for service contract to ensure that 17 the awarding of contracts are done in a fair and impartial 18 19 manner; and 20 WHEREAS, in 2008, allegations were raised of improprieties 21 22 in the state bidding process surrounding the Department of Transportation (DOT) and its awarding of a new contract to 23 Roberts Hawaii to operate the Honolulu International Airport's 24 25 Wiki Wiki Shuttle; and 26 27 WHEREAS, during the previous fall, DOT put out a request for proposal in which four companies responded; and 28 29 30 WHEREAS, the sealed bids were opened on November 29, 2007 31 and made public to those in attendance; and



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WHEREAS, of the bidders participating in the process, 2 Airport Service International Group (ASIG) submitted the second 3 lowest bid, and Roberts Hawaii submitted the third lowest bid; 4 and 5 6 7 WHEREAS, the DOT claimed that there was an omission in the Request-for-Proposal (RFP) and voided the original bids 8 9 requiring the project to be rebid; and 10 WHEREAS, after amending the contract, the DOT sought new 11 12 bids through an RFP and this time, only three companies 13 responded; and 14 15 WHEREAS, when the new bids were opened on February 7, 2008, ASIG and another contender raised their bids to address 16 17 additional work required under the specifications of the contract, while Roberts Hawaii lowered its original bid by 18 \$250,000; and 19 20 WHEREAS, upon receiving the contract from the DOT, Roberts 21 22 Hawaii immediately changed the operations of the Wiki Wiki Shuttle by laying off 41 union workers who were previously 23 employed with ASIG; and 24 25 WHEREAS, the "fast-tracking" of the new contractor and its 26 employees (who need to have background checks done for the last 27 10 years, a commercial drivers license, and ramp license and the 28 29 time to learn airport procedures and train on the type of 30 vehicles to be driven) places compliance of public safety and Homeland Security procedures in jeopardy; now, therefore, 31 32 33 BE IT RESOLVED by the House of Representatives of the 34 Twenty-Fifth Legislature of the State of Hawaii, Regular Session of 2010, that this body requests the Administrator and Chief 35 36 Procurement Officer of the State Procurement Office to investigate the allegations of impropriety surrounding the 37 38 awarding of the Wiki Wiki Shuttle contract to Roberts Hawaii and 39 submit a report of findings and recommendations to the Legislature at least twenty days prior to the convening of the 40 Regular Session of 2011; and 41



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1 BE IT FURTHER RESOLVED that the Auditor is directed to 2 audit the Department of Transportation in its management of the 3 Wiki Wiki Shuttle contract to: 4 5 (1)Determine whether any violations of Chapter 103D, HRS, 6 7 occurred; and 8 9 (2) Ascertain whether the "fast-tracking" of the new contract has resulted in any violations to public 10 safety or Homeland Security procedures which would 11 place the State in jeopardy of any federal sanctions; 12 13 and 14 15 BE IT FURTHER RESOLVED that the Auditor transmit a report 16 17 of the findings and recommendations to the Legislature at least twenty days prior to the convening of the Regular Session of 18 2010; and 19 20 BE IT FURTHER RESOLVED that certified copies of this 21 22 Concurrent Resolution be transmitted to the Director of Transportation; the Auditor; the Chief Executive Officers of 23 ASIG and Roberts Hawaii; and the Hawaii Teamsters & Allied 24 25 Workers Union Local 996. 26 27 28 OFFERED BY

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