



UNIVERSITY
of HAWAII®

October 8, 2021

The Honorable Sharon Y. Moriwaki
Chair, Senate Special Committee on State of Hawai'i Procurement
State Capitol, Room 223
Honolulu, Hawai'i 96813

Re: Request for Follow-up Information regarding the Senate Special Committee on State of Hawai'i Procurement Informational Briefing on August 11, 2021

Dear Chair Moriwaki:

Thank you for your letter (dated August 11, 2021 and received on September 20, 2021) requesting follow-up information from the August 11, 2021 Senate Special Committee on State of Hawai'i Procurement Informational Briefing. Per your request, we submit the following response for the University of Hawai'i (UH):

Q1. Please provide us with position descriptions of your project manager and construction manager description and where these positions belong in their respective organizational chart.

A1. See ***Attachment A1A – Sample Position Descriptions (Project Manager)*** for sample position descriptions for Project Managers, Registered Architects and Architects. Most campuses have variations of these positions to perform project management responsibilities. A sample for each position type is being provided in response to this request. See ***Attachment A1B – Sample Position Descriptions (Construction Manager)*** for sample Construction Manager position descriptions. Some campuses have variations of these positions to perform construction management responsibilities. A sample for each position type is being provided in response to this request. See ***Attachment A1C – Organizational Charts*** that illustrates where these positions belong in the respective organizational chart.

Q2. Please provide a flowchart of the UH procurement process starting from the advertisement of the IFB/RFP, including the average number of days for the process.

A2. See *Attachment A2A – UH Procurement Process* for a flowchart detailing the UH procurement process and contract management.

Q3. Please provide an organizational chart on the management of contracts.

A3. As shown in the organizational charts in *Attachment A1C – Organizational Charts*, there are project managers, architects, and construction managers that work in six different offices throughout the UH system. *Attachment A3A – Contract/Project Management Organizational Flowchart* illustrates how projects and contracts are managed from design through construction.

Q4. Please provide a description for the original scope of work for the PBS building/Sinclair Library project.

A4. See *Attachment A4A – Relocation of Comms & ACM Scope of Work* and *Attachment A4B – Sinclair Library Ground Floor Scope of Work*.

Q5. Please provide copies of the 38 change orders on the PBS building/Sinclair Library project and the 33 change orders for the floor renovation of Sinclair Library.

A5. See *Attachment A5A – Relocation of Comms & ACM Change Orders* and *Attachment A5B - Sinclair Library Ground Floor Change Orders*.

Q6. Do UH contracts go through a legal review, particularly for large change orders?

A6. No, UH contracts do not go through a legal review.

Q7. Because Jan's staff only handles goods, services, and construction over \$25,000 and the smaller amounts are handled by the respective schools/programs—do these people have procurement delegation and training?

A7. All persons handling goods, services and construction procurements \$25,000 and below have delegated authority in the Kualii Financial System (KFS). All persons handling construction procurements \$25,000 and below have completed the Hawai'i State Procurement Office training.

Q8. Can you determine a common theme for protests (i.e., subcontractors listing, licenses, etc.)?

A8. The majority of the UH's construction procurement protests are generally associated with claims that the general contractor failed to list appropriate subcontractors.

Q9. Does UH monitor the performances of their contractors and if so, what criteria do they use or recommend be used?

A9. Following the completion of all professional services projects or projects procured via IFB or RFP, the project or construction manager is expected to complete a performance evaluation form. All performance evaluations are entered into a database, which is checked whenever contractors bid on projects to screen for prior unsatisfactory performance evaluations. See ***Attachment A9A – Performance Evaluation Form***.

Q10. Does UH have detailed information on its change orders, such as how many change orders they have per project and the costs of the change order?

A10. Yes. UH retains this information.

Q11. How many licensed engineers and project managers does UH have outside of the procurement team?

A11. Within the administrative units, the UH has eight licensed engineers and eighteen project managers.

Q12. What analysis does UH perform to determine whether to accept or request change order, especially those that amend or add to the scope of the project?

A12. By its nature, change orders amend or add to the original scope of a project. Thus, when evaluating a change order, an initial assessment is made by the project manager as to whether a particular change is within the overall project goal or project site. Thereafter, an evaluation is conducted to determine whether (1) the change was not included as part of the original bid scope and/or contract, and (2) the proposed costs are reasonable.

Questions Relating to HAR

Q13. What is the UH process in bringing this up to the head of the purchasing agency?

A13. As a matter of practice, the UH generally includes all goods necessary for the completion of a project within the scope of a construction project. Accordingly, there is no documentation when this is performed in all of its projects.

Q14. When this occurs how does the UH document this provision? Please provide a sample of the documentation.

A14. See answer A13 above.

Q15: Is the UH procurement officer or head of the purchasing agency involved in reviewing all change order requests? What is the process?

A15. The UH Chief Procurement Officer (UH President) has delegated approval to the Vice President for Administration for all change orders. This authority has been further delegated to the Director of the Office of Procurement Management for all change orders where the total amended amount of the contract is under \$1 million, and to the Facilities and Contracts Office for change orders with a value of \$25k and under.

The UH Procurement Officer or delegee reviews and approves all change orders. For construction change orders, all change order proposals are reviewed by the following personnel prior to final approval: (1) Construction Manager; (2) Project Manager; (3) Director; (4) Procurement Specialist; (5) Fiscal Administrator; and finally (6) the UH Chief Procurement Officer or delegee.

Q16: As required in the above section, when presented with a change order does the UH procurement officer or head of the purchasing agency investigate the site? How is this documented?

A16. For differing site conditions, the UH procurement officer communicates with the construction manager, who generally visits the work site several times a week. This is documented through photos and reports stored in eBuilder.

Q17: Does the UH procurement officer or head of the purchasing agency sign off on change orders? How is this documented? Please provide a sample.

A17. Yes. See the above response to Question 15 and ***Attachment A5A – Relocation of Comms & ACM Change Orders*** for a sample.

Should you have any further questions or if we missed any items, please do not hesitate to contact me at 956-9704 or by email at david@hawaii.edu. For additional assistance, you may also contact Vice President for Administration, Jan Gouveia, at 956-6405 or jgouveia@hawaii.edu.

Sincerely,

David Lassner
President

Attachments

c: Senator Donovan M. Dela Cruz
Senator Donna Mercado Kim
Senator Michelle N. Kidani
Senator Kurt Fevella
Jan Gouveia, Vice President for Administration
Bonnie Kahakui, Acting Administrator, Procurement Office