JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA



BONNIE KAHAKUI ACTING ADMINISTRATOR

STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I STATE PROCUREMENT OFFICE

P.O. Box 119 Honolulu, Hawaii 96810-0119 Tel: (808) 586-0554 email: <u>state.procurement.office@hawaii.gov</u> <u>http://spo.hawaii.gov</u>

TESTIMONY OF BONNIE KAHAKUI, ACTING ADMINISTRATOR STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS April 11, 2023, 3:00 p.m.

G.M. 589 Submitting for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2023. and G.M. 661

Submitting for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

Chair McKelvey, Vice Chair Gabbard, and members of the committee, thank you for the opportunity to submit testimony on G.M. 589 and G.M. 661. The State Procurement Office (SPO) is in **strong support** of the nomination of Lance Inouye to the Procurement Policy Board (Board). This volunteer Board is a critical component of the SPO, promulgating Hawaii Administrative Rules in accordance with Chapters 103D and 103F of the Hawaii Revised Statutes.

Mr. Inouye will contribute his expertise in construction procurement and as a business leader in the private sector, as well as his sincere desire to serve the community.

Mr. Inouye is President and Chief Executive Officer of Ralph S. Inouye Co., Ltd., a "kama'aina" Hawaii general contractor company that was founded by his father in 1962. He has served on numerous boards and committees, including the Hawaii State Land Use Commission, the General Contractors Association of Hawaii, the Hawaii Operating Engineers Health & Welfare Fund, Shriners Hospital Capital Campaign Committee, the Academy of the Pacific Board, and the Department of Education Advisory Committee.

Mr. Inouye received his Executive Master of Business Administration from the University of Hawaii College of Business, his Juris Doctor from the University of Hawaii School of Law, his Master of Science in Aeronautical Engineering from Stanford University, and his Bachelor of Science in Mechanical Engineering from Stanford University.

For these reasons we respectfully ask that your committee confirm Mr. Inouye's nomination to the Procurement Policy Board.

Thank you for the opportunity to submit testimony on G.M. 589 and G.M. 661.



HONORABLE ANGUS L.K. MCKELVEY, CHAIR, HONORABLE MIKE GABBARD, VICE CHAIR, COMMITTEE ON GOVERNMENT OPERATIONS

SUBJECT: **SUPPORT OF GM 661.** Submitting for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

<u>HEARING</u>

DATE:Tuesday, April 11, 2023TIME:3:00 p.m.PLACE:Capitol Room 225

Dear Chair McKelvey, Vice Chair Gabbard and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of approximately five hundred (500) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. Our mission is to elevate Hawaii's construction industry and strengthen the foundation of our community.

GCA is in **<u>support</u>** of GM 661, which submits for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

GCA believes that Mr. Inouye has demonstrated the required experience and expertise in procurement to be a valuable member of the Procurement Policy Board. Mr. Inouye has over 42 years of construction experience in Hawaii. His company, Ralph S. Inouye Co. Ltd, has participated in various construction projects under the Procurement Code. His knowledge of the Hawaii Procurement Code is especially beneficial for the Board. We've always found Mr. Inouye to be fair, competent, and knowledgeable.

Thank you for considering our testimony in support.



S&M SAKAMOTO, INC.

April 11, 2023

GENERAL CONTRACTORS

TO: HONORABLE ANGUS L.K. MCKELVEY, CHAIR, HONORABLE MIKE GABBARD, VICE CHAIR, AND MEMBERS OF THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS

SUBJECT: <u>SUPPORT FOR GM 661</u>. Submitting for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

HEARINGDATE:April 11, 2023TIME:3:00 p.m.PLACE:Conference Room 225

Dear Chair McKelvey, Vice Chair Gabbard and Members of the Committee,

S & M Sakamoto, Inc., General Contractor

S & M Sakamoto, Inc. supports GM 661, which submits for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

S & M Sakamoto, Inc. believes that Mr. Inouye has demonstrated the required experience and expertise in procurement to be a valuable member of the Procurement Policy Board. Mr. Inouye has over 42 years of construction experience in Hawaii. His company, Ralph S. Inouye Co. Ltd, has participated in various construction projects under the Procurement Code. His knowledge of the Hawaii Procurement Code is especially beneficial for the Board. We've always found Mr. Inouye to be fair, competent, and knowledgeable.

Thank you for the opportunity to testify in strong support of Mr. Inouye's nomination.

Very truly yours, S & M Sakamoto, Inc.

Dale S. Yoneda, President



HAWAII LABORERS-EMPLOYERS COOPERATION AND EDUCATION TRUST 650 Iwilei Road, Suite 285 · Honolulu, HI 96817 · Phone: 808-845-3238 · Fax: 808-845-8300

April 7, 2023

To: State Senate Committee on Government Operations (GVO)

Re: Strong Support for GM589 & GM661, Mr. Lance Inouye, Procurement Policy Board

For GVO hearing on Tuesday, April 11, 2023 at 3:00 pm in Conference Room 225

Aloha **Chair McKelvey**, **Vice Chair Gabbard**, and Distinguished Members of the Senate Committee on Government Operations,

The **Hawaii Laborers & Employers Cooperation and Education Trust** (Hawaii LECET) is a labor + management partnership established in 1992 between the 5,000 statewide members of the Hawaii Laborers Union and over 250 construction companies from the *General Contractors Association* and the *Building Industry Association*. The Laborers International is the largest construction trade union in North America, and Hawaii LECET is part of a network of 38 labor-management LECET Funds across the country.

We offer our strong support for GM589 & GM661, in the consideration and confirmation of Gubernatorial Nominee Mr. Lance Inouye to the Procurement Policy Board. We have known and worked with Mr. Inouye for over 20 years. He is widely respected in Hawaii for his decades of experience leading a storied Kama`aina contractor, his deep knowledge of law and procurement, and his tireless advocacy to improve the construction industry.

Mr. Inouye's impressive resume speaks for itself, but perhaps even more admired is his intellect, even temperament, and trusted ability to work with diverse parties to find collaborative solutions that benefit the community at large in every action he takes. Mr. Inouye has always been an effective leader who is determined and successful in improving everything he touches. Even with all his vast knowledge, wisdom, and experience, Mr. Inouye always displays the calm demeanor and humble spirit of a true public servant.

We urge your favorable consideration to advise and consent in the nomination of Mr. Lance Inouve to the Procurement Policy Board. Thank you for this opportunity to testify.

Mahalo,

Hawai'i Laborers & Employers Cooperation and Education Trust



<u>GM-661</u> Submitted on: 4/7/2023 9:58:25 AM Testimony for GVO on 4/11/2023 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael P. Matsumoto	Testifying for SSFM International, Inc.	Support	Written Testimony Only

Comments:

Dear Chair McKelvey, Vice Chair Gabbard, and Members of the Committee:

I am the President/CEO of SSFM International, Inc. We are a Hawaii-based project management, planning, and engineering company established in Hawaii since 1959 with 4-offices in Hawaii and 3-offices in the Pacific/Asia Region.

SSFM International supports GM 661, which submits for consideration and confirmation to the Procurement Policy Board, LANCE INOUYE.

SSFM International has known Mr. Inouyeas a valued member of Hawaii's construction community and he has demonstrated the experience and expertise in procurement to be a valuable member of the Procurement Policy Board. He has over 40-years of construction experience in Hawaii and his company, Ralph S. Inouye Co. Ltd., has partcipated in many construction projects subject to the Procurement Code. He is a valued construction professional in Hawaii and we have always found him to be fair, competent, and knowledgeable.

Thank you very much for this opportunity to support Mr. Inouye's nomination.

Michael P. Matsumoto, President/CEO



- TO: HONORABLE ANGUS L.K. MCKELVEY, CHAIR, HONORABLE MIKE GABBARD, VICE CHAIR, AND MEMBERS OF THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS
- SUBJECT: **SUPPORT FOR GM 661.** Submitting for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

HEARINGDATE:April 11, 2023TIME:3:00 p.m.PLACE:Conference Room 225

Dear Chair McKelvey, Vice Chair Gabbard and Members of the Committee,

Koga Engineering is a locally owned and operated sitework construction company that has been in business for 50 years.

Koga Engineering, supports GM 661, which submits for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

Koga Engineering, believes that Mr. Inouye has demonstrated the required experience and expertise in procurement to be a valuable member of the Procurement Policy Board. Mr. Inouye has over 42 years of construction experience in Hawaii. His company, Ralph S. Inouye Co. Ltd, has participated in various construction projects under the Procurement Code. His knowledge of the Hawaii Procurement Code is especially beneficial for the Board. We've always found Mr. Inouye to be fair, competent, and knowledgeable.

Koga Engineering has always known Mr. Inouye to be very knowledgeable about the construction business and he has always shared his expertise with the General Contractors Association Board. He will be a valuable asset to any committee that he serves.

- TO: HONORABLE ANGUS L.K. MCKELVEY, CHAIR, HONORABLE MIKE GABBARD, VICE CHAIR, AND MEMBERS OF THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS
- SUBJECT: **SUPPORT FOR GM 661.** Submitting for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

<u>HEARING</u>

DATE: April 11, 2023 TIME: 3:00 p.m. PLACE: Conference Room 225

Dear Chair McKelvey, Vice Chair Gabbard and Members of the Committee,

D&C Plumbing, Inc. has been doing business in the State of Hawaii since 1974 and performs work for various City and State Agencies.

D&C Plumbing, Inc. **supports GM 661**, which submits for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

D&C Plumbing, Inc. believes that Mr. Inouye has demonstrated the required experience and expertise in procurement to be a valuable member of the Procurement Policy Board. Mr. Inouye has over 42 years of construction experience in Hawaii. His company, Ralph S. Inouye Co. Ltd, has participated in various construction projects under the Procurement Code. His knowledge of the Hawaii Procurement Code is especially beneficial for the Board. We've always found Mr. Inouye to be fair, competent, and knowledgeable.



- TO: HONORABLE ANGUS L.K. MCKELVEY, CHAIR, HONORABLE MIKE GABBARD, VICE CHAIR, AND MEMBERS OF THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS
- SUBJECT: **SUPPORT FOR GM 661**. Submitting for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

HEARINGDATE:April 11, 2023TIME:3:00 p.m.PLACE:Conference Room 225

Dear Chair McKelvey, Vice Chair Gabbard and Members of the Committee,

Alan Shintani, Inc. has been providing quality general contracting services and construction management for homes, commercial building, and government projects in a cost-effective and timely manner since 1984. ASI has earned a solid reputation in Hawaii by succeeding in all its construction endeavors through innovation and reliable construction services.

Alan Shintani, Inc. **supports GM 661**, which submits for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

I believe that Mr. Inouye has demonstrated the required experience and expertise in procurement to be a valuable member of the Procurement Policy Board. Mr. Inouye has over 42 years of construction experience in Hawaii. His company, Ralph S. Inouye Co. Ltd, has participated in various construction projects under the Procurement Code. His knowledge of the Hawaii Procurement Code is especially beneficial for the Board. We've always found Mr. Inouye to be fair, competent, and knowledgeable.

plan Shintani

Alan Shintani Chairman of the Board Alan Shintani, Inc.



TO: HONORABLE ANGUS L.K. MCKELVEY, CHAIR, HONORABLE MIKE GABBARD, VICE CHAIR, AND MEMBERS OF THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS

SUBJECT: **SUPPORT FOR GM 661**. Submitting for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

HEARING

DATE:	April 11, 2023	
TIME:	3:00 p.m.	
PLACE:	Conference Room 225	

Dear Chair McKelvey, Vice Chair Gabbard and Members of the Committee,

Nordic PCL Construction, Inc. is a local kama'aina building contractor founded in Honolulu in 1938. Although based on Oahu, the company has project experience on all neighbor islands. Our portfolio of projects includes but is not limited to high-rise residential, healthcare, education, commercial office, retail, institutional, and military.

Nordic PCL Construction, Inc. **supports GM 661**, which submits for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

We believe that Mr. Inouye has demonstrated the required experience and expertise in procurement to be a valuable member of the Procurement Policy Board. Mr. Inouye has over 42 years of construction experience in Hawaii. His company, Ralph S. Inouye Co. Ltd, has participated in various construction projects under the Procurement Code. His knowledge of the Hawaii Procurement Code is especially beneficial for the Board. I have served on the GCA Legislative Committee with Mr. Inouye and have always found hhim to be fair, competent, and knowledgeable.

Thank you for the opportunity to testify in strong support of Mr. Inouye's nomination.

Kanishige

Glen Kaneshige President

<u>GM-661</u>

Submitted on: 4/7/2023 8:30:08 AM Testimony for GVO on 4/11/2023 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Colin Fujiki	Individual	Support	Written Testimony Only

Comments:

I, Colin Fujiki, believe that Mr. Inouye has demonstrated the required experience and expertise in procurement to be a valuable member of the Procurement Policy Board. Mr. Inouye has over 42 years of construction experience in Hawaii. His company, Ralph S. Inouye Co. Ltd, has participated in various construction projects under the Procurement Code. His knowledge of the Hawaii Procurement Code is especially beneficial for the Board. We've always found Mr. Inouye to be fair, competent, and knowledgeable.

<u>GM-661</u> Submitted on: 4/9/2023 8:11:07 AM Testimony for GVO on 4/11/2023 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Audrey Hidano	Individual	Support	Written Testimony Only

Comments:

I am testifying in STRONG SUPPORT for GM 661 for consideration and confirmation to the Procurement Policy Board, Gubernational Nominee, Lance Inouye for a term to expire 6/30/27. I've known Mr. Inouye for about 30 years and can attest to his knowledge, his integrity and his constributions to the constructon industry. He will truly be an asset to the Procurement Policy Board.

Thank you for allowing me to send testimony in STRONG SUPPORT for Lance Inouye's nomination.

<u>GM-661</u> Submitted on: 4/9/2023 9:08:53 AM Testimony for GVO on 4/11/2023 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Glenn Nohara	Individual	Support	Written Testimony Only

Comments:

Dear Chair McKelvey, Vice Chair Gabbard and Members of the Senate Committee on Government Operations:

I strongly support GM 661, which submits for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, Lance Inouye, for a term to expire 06-30-2027.

I have known Mr. Inouye for over twenty years and believe that he has the required experience and expertise in procurement to be a valuable member of the Procurement Policy Board. His knowledge of the Hawaii Procurement Code would be beneficial for the Board.

Thank you very much for your consideration.

Sincerely,

Glenn Nohara

<u>GM-661</u>

Submitted on: 4/9/2023 2:42:57 PM Testimony for GVO on 4/11/2023 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ruth A. Baker	Individual	Support	Written Testimony Only

Comments:

Chair McKelvey, Vice Chair Gabbard, and members of the committee, thank you for the opportunity to submit testimony in strong support of the nomination of Lance Inouye to the Procurement Policy Board.

Mr. Inouye contributes his many years of experience and knowledge in construction, his perspective as a respected business leader in Hawaii, and his sincere willingness to serve our state through this volunteer Board.

Thank you for the opportunity to submit testimony.

Shannon Alivado

Shannon.Alivado@gmail.com

April 11, 2023

Testimony in Strong Support of Governors Message 589 and 661 Lance Inouye, Procurement Policy Board, Gubernatorial Nominee For a term to expire June 30, 2023 and June 30, 2027 respectively

Senate Committee on Government Operations Tuesday, April 11, 2023 3:00 p.m. Via Video Conference and CR 225

Dear Chair McKelvey, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of Governors Messages 589 and 661, the appointment of Lance Inouye to the Policy Procurement Board for terms to expire June 2023 and June 2027, respectively. Mr. Inouye has always been an advocate for improving public procurement. Mr. Inouye's willingness to serve on the Policy Procurement Board is an excellent appointment as he will prioritize and deliver on the responsibilities set forth in HRS 103D and HRS 103F.

Mr. Inouye's professional and practical experience makes him an ideal candidate for the Policy Procurement Board. In his professional career he has not only helped with interpretation and implementation of state law as a former Attorney General for the State of Hawaii, but also in his practical capacity as a licensed General Contractor for over 40 years. His attention to detail, strong work ethic and high integrity will greatly benefit, not only state taxpayers, but other members of the Policy Procurement Board and public agencies affected by various policies and procedures that the Board adopts. I had the opportunity to work with him on several projects set out to improve the procurement code, including a study on past performance in 2015. In all tasks he puts his mind to, Mr. Inouye is diligent and committed to ensuring the task is carried out. He is always professional, gracious and willing to take the time to explain how a policy or law may actually affect real world situations, particularly when it comes to public procurement.

I personally cannot think of anyone better to serve on the Policy Procurement Board who will be as driven, dedicated and committed to the tasks at hand than Mr. Inouye. Please support Mr. Inouye's nomination to the Policy Procurement Board and advise and consent Governors Messages 589 and 661. Thank you for the opportunity to express my support.





- TO: HONORABLE ANGUS L.K. MCKELVEY, CHAIR, HONORABLE MIKE GABBARD, VICE CHAIR, AND MEMBERS OF THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS
- SUBJECT: <u>SUPPORT FOR GM 661</u>. Submitting for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

<u>HEARING</u>

DATE: April 11, 2023 TIME: 3:00 p.m. PLACE: Conference Room 225

Dear Chair McKelvey, Vice Chair Gabbard and Members of the Committee,

Civil-Mechanical Contractor is a General Engineering / General Building Contractor engaged in the construction of water-based projects for the various governmental agencies in the State of Hawaii for the past 40 years.

Civil-Mechanical Contractor supports GM 661, which submits for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire 06-30-2027.

Civil-Mechanical Contractor believes that Mr. Inouye has demonstrated the required experience and expertise in procurement to be a valuable member of the Procurement Policy Board. Mr. Inouye has over 42 years of construction experience in Hawaii. His company, Ralph S. Inouye Co. Ltd, has participated in various construction projects under the Procurement Code. His knowledge of the Hawaii Procurement Code is especially beneficial for the Board. We've always found Mr. Inouye to be fair, competent, and knowledgeable.

TESTIMONY OF LANCE M INOUYE TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS ON April 11, 2023, 3:00 pm

GM 589 & 661

Submitting for consideration and confirmation to the Procurement Policy Board, Gubernatorial Nominee, LANCE INOUYE, for a term to expire June 30, 2023 (GM 589) and June 30, 2027 (GM 661).

The Honorable Chair McKelvey, Vice Chair Gabbard, and members of the GVO Committee, thank you for the opportunity to be here today.

I want to first thank Governor Josh Green for submitting my name for consideration as a member of the Procurement Policy Board (PPB). It is truly and honor and a privilege for me.

I would also like to thank those friends, colleagues and business associates who have submitted letters of support and have appeared in person to support my nomination. MAHALO NUI LOA.

Except for a span of 10 years attending college away and serving in the Navy, I have lived in Hawaii all of my life. I enjoyed the first 6 years of my life in the pineapple plantation town of Kunia, where my dad and my grandparents raised me. The rest of the time, I enjoyed living in Hawaii with its natural beauty, its unique Hawaiian culture, and the diversity of its people. Throughout those years, what seemed to remain constant, is

the mutual respect among people of different cultures and beliefs and the spirit of *Aloha*, though that in itself may be undergoing changes.

Hoping to maintain this spirit of *Aloha*, I believe that it is most important for a member of the PPB to conduct oneself with integrity in conducting PPB business and to be transparent at all times with mutual respect for the different cultures and beliefs. The public trust is paramount as we deliberate on how best to expedite public procurement in a fair and ethical manner, always respectful of opinions from differing perspectives.

Of my qualifications for this nomination, I view as most relevant, the over 40 years in the construction business under Ralph S Inouye Co, Ltd (RSI), a kamaaina general contractor of over 60 years, whose namesake is my dad, Ralph S Inouye. He passed away just shy of 5 years ago at the ripe old age of 103, while still working. RSI has worked and continues to work on numerous state and city projects under the purview of the Hawaii Public Procurement Code, HRS Chapter 103D. I am aware that the PPB's responsibility encompasses Purchases of Health and Human Services under HRS Chapter 103F as well. I will study this aspect and approach this responsibility judiciously and with an open mind and discharge that responsibility to the best of my abilities.

My vision for service on the PPB is to help the state and the city & counties deliver high quality goods and services in a timely and cost-effective manner, while ensuring fair and ethical procurement practices. I know some tasks before the PPB will be tough in this endeavor. But I hope to review procurement information presented objectively and impartially in deliberations. Hopefully, my alternative dispute resolution experience may be of some help in this effort. In short, I hope to be conscientious, transparent, fair and respectful in any task before the PPB.

In closing, I would like to thank this Committee for giving me the opportunity to be here today. Thank you for considering my nomination. I would also like to thank all those who took the time to submit testimony on my behalf and those appearing in person.

I would be happy to answer any questions the Committee may have.