

Aloha!

Before we start - Since I had a previous doctor's appointment, I am asking a fellow member of CFADAR to present this written testimony live on my behalf. I have tried to time it so that it falls around the 3 minute time frame so as to not infringe on my privilege of being able to testify here today. I apologize if it exceeds that, or request to "borrow" another person's 3 minutes to complete within the total time of six minutes. Thank You to all Council members here for this opportunity.

(START Timer):

My name is Milton Kubo, Current Vice-Chairman of CFADAR, and this is my written testimony.

I am in SUPPORT of Bill 9 (2013) Ordinance for a number of reasons, but I will preface on WHY:

Since May 16th, 1986 to December 2009, I was an employee, VP of Sales & Marketing, and Minority business partner. We represented Professional & Commercial Audio Manufacturers, and worked with contractors on every level of purchasing – Private, City, State, and Federal.

I always wondered why all OUR contracts for Audio Equipment Purchases AND Maintenance were based on an end date termination of contracts, specifically with the government. BUT I found out that OTS has had a "contract" that basically GAVE them the handling of TheBus AND the Para-Transit systems with NO CONTRACT "finalization" since 1977.

That made me concerned since I was under the EXPECTATION that a contract MUST be renewed to make sure that there is no underlying or under-minding "theme", specifically with high dollar government contracts. What I was instructed when OUR contracts were up was that it was to make it EQUAL OPPORTUNITY, and ALL government contracts were this way.

Therefore, I support this bill because it IS relative to MY business and how it is perceived:

- a) Renewal every 5 years in a "technology driven" situation, brings new innovations to the forefront and IMMEDIATELY ONLINE, not behind 10-20 YEARS;
- b) New technology, in turn, can bring potential SAVINGS (a new way) or IMPROVEMENT with OUT increases in EXPENDITURES or BUDGET (same way, but in NEWER TECHNOLOGY, therefore more EFFICIENT) or possibly even REDUCE OVERALL working costs;
- c) Competition brings forth an increase in EFFICIENCY, MODERNIZATION, and CREATIVITY to the FORFRONT – With OUT "competition", it creates a lack that wastes time, manpower, supplies, and therefore overall = waste of MONEY. In this case: Tax Monies of which we are ALL a part!
- d) Renewal of contracts brings new ENERGY and removes a feeling of "Staleness" – it generates a CONSTANT CREATVITY and new IDEAS to make it work BETTER, again – more efficient, less waste and better costs.
- e) Removes COMPLACENCY – Everyone involved MUST retain an attitude of MOTIVATION to GET THINGS DONE, otherwise the possibility of NOT having the contract again with the company is eminent. The saying "The Proof is in the Pudding" holds true when it comes to competition - You must ACCOMPLISH what is IN the contract, PROVE you CAN do it, and FOLLOW THROUGH with your progress, process, and completion, documenting every step, GAIN or IMPROVEMENT along the way EFFICIENTLY and as little cost as possible. THAT is where the "creativity" and a BUSINESS MIND comes into the picture.

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IMPORTANT to note that I am NOT trying to cause a CONFRONTATION, but I DO want IMPROVEMENTS for ALL riders, drivers, and TAXPAYERS that the COMPANY has "talked about" implementing for MANY YEARS, but have yet to even INITIATE - At least since February of 2006 (The first "minutes" I read at the inception of CFADAR) to NOW – Same problems, over and over. If anything, all it did was get MORE.

In the past four years, MY personal experience on Handi-Van, NO QUALITY improvements in either:

A) The "structure" to the **business** aspect, or

B) Improvement in efficiencies and ORGANIZATION in the actual transportation side.

Nothing can be shown to do better on the rides for BOTH riders AND drivers. It has been "verbiage" and non-existent. I have seen only "Band-Aids" – REACTIONS, not ACTIONS to problems, and ONLY when it becomes "noticed" by EVERYONE, City Council or to the PUBLIC. Ideal example – TheBus route CUTS.

Currently there is a HUGE amount of wasted money and I can name a number of them. For what reason, I cannot assume anything, but a **supposition** based on **MY opinion** from the business "realm" I believe **HAS** merits and I CAN back it up with NUMBERS. Briefly:

1) Nice LAMINATED ID'S issued for all the "regular" riders, currently at 16,000 and WILL INCREASE.

They are issued every FOUR YEARS, but - that is ALL it is used for – an ID. WHY?

2) Coupons – They ARE "GIFT CERTIFICATES" – ANYONE can BUY them, but they can ONLY be used ON THE Handi-Van only FOR a one-way HANDI-VAN ride. Example – a Macy's Gift card – anyone can BUY it, but it can ONLY be used AT Macy's. Why print and WASTE money AND PAPER to try and ANTI-COUNTERFEIT a \$2.00 "coupon"? (My proposition will tie this in with the ID.)

3) Why is OTS STILL doing interviews / renewals at the Eligibility Center on 40% (based on Sean Powers' numbers), or about 6400 of the 16,000 riders - INTERVIEWS that are UNNECESARY when the FEDERAL GOVERNMENT has GUARANTEED these people ARE QUALIFIED – for what LIFE they HAVE? From what my "homework" has indicated, EACH interview cost is approximately \$100 gross PER INTERVIEW, or about \$640,000.00 (**640 THOUSAND DOLLARS**) – and GROWING – in **REPETITIVE WASTE!**

In conjunction, OTS PAYS for the ROUND-TRIP TRANSPORT, which when asked, Roger Morton said LAST YEAR it costs' between \$60-100 for EACH RIDE ONE WAY! So - Based on \$60/ride, the RT for the interview is \$120 for EACH, AND there is again currently an approximate 6400 FEDERALLY CERTIFIED - PERMANENTLY DISABLED PASSENGERS. SO - With **OUT** the interview cost is **\$768,000** in WASTED TRANSPORTATION COSTS ALONE! AND - If it was at \$100 per ride PLUS interview cost of \$100 – THAT would come out to **\$1,920,000** – OVER **\$1.9 MILLION DOLLARS CURRENTLY WASTED EVERY FOUR YEARS!** With **OUT** the interview cost, it would STILL be **\$1.28 MILLION DOLLARS** in WASTED TRANSPORTATION COSTS!

THAT is why I support this bill - It WILL allow new IDEAS, INNOVATIONS, EFFICIENCY, COST REDUCTION, and IMPROVEMENTS! The specification process should inquire with EVERYONE for IDEAS, so as to make it all work TOGETHER in UNITY, and NOT APART as it appears right now!

THE only thing I would like to see changed in the bill is having a TERMINATION of the contract BEING (5) YEARS, and not "open ended" as it is now.

Thank You for your time.

Milton Kubo

Current Vice Chairman, CFADAR

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