



RESOLUTION

URGING THE CITY ADMINISTRATION TO IMMEDIATELY CONFORM ITS PROCUREMENT PROCESS WITH ACT 239.

WHEREAS, the City and County of Honolulu is subject to the procurement provisions of Section 103D, Hawaii Revised Statutes ("HRS"), the Hawaii Public Procurement Code ("procurement code"), which states that "This chapter shall apply to all procurement contracts made by governmental bodies..." and further, that the term governmental body "means...the several counties of the State" (Sections 103D-102(a) and 103D-104, HRS); and

WHEREAS, on June 27, 2013, the Governor signed H.B. 1374, HD1, SD1, CD1, into law as Act 239, which went into effect on July 1, 2013; and

WHEREAS, the purpose of Act 239 is to allow procurement officials the authority to choose the appropriate source selection method to meet the circumstances of each procurement, effectively making the use of competitive sealed bids just one of several different methods of source selection, rather than the default method; and

WHEREAS, the goal of this amendment to the procurement code is to improve the expenditure of taxpayer dollars and ensure that taxpayer dollars are not wasted; and

WHEREAS, Act 239 notes that "remedial measures can cost taxpayers more money in the long term, and that the usual principle of awarding contracts to the lowest bidder may lead to substandard work, because contractors may artificially lower bids to gain a contract, in spite of a lack of qualifications or, even worse, a record of poor performance in the past"; and

WHEREAS, with the enactment of Act 239, procurement officers have clear discretion to choose from a number of procurement source selection methods as appropriate, including competitive sealed proposals, professional services procurement, small purchases, sole source procurement, and emergency procurements, which allow for the use of other evaluation factors and criteria beyond the lowest bid; and

WHEREAS, the City Council finds that this enacted flexibility could increase the likelihood of a successful procurement, decrease the chance of wasting taxpayer dollars, and benefit all stakeholders in the procurement process; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the City Administration is urged to immediately conform its procurement process with Act 239; and



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BE IT FURTHER RESOLVED that the Council requests the Director of Budget and Fiscal Services to update the Council on the results and benefits of this new procurement process within 120 days of the approval of this Resolution; and

BE IT FINALLY RESOLVED that copies of this Resolution be sent to the Mayor, the Managing Director, the Director of Budget and Fiscal Services, and the Director of the Department of Design and Construction.

INTRODUCED BY:

Shyneely Pire

DATE OF INTRODUCTION:

SEP 20 2013

Honolulu, Hawaii

Councilmembers

SEP 20 10 50 AM '13

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
CERTIFICATE

RESOLUTION 13-234

Introduced: 09/20/13 By: KYMBERLY PINE

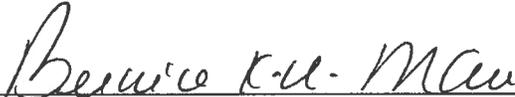
Committee: BUDGET

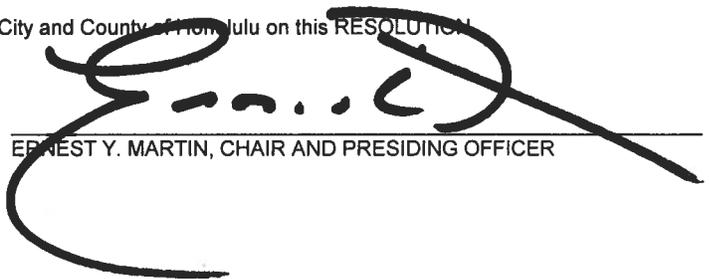
Title: RESOLUTION URGING THE CITY ADMINISTRATION TO IMMEDIATELY CONFORM ITS PROCUREMENT PROCESS WITH ACT 239.

Voting Legend: * = Aye w/Reservations

10/30/13	BUDGET	CR-339 – RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION.
11/13/13	COUNCIL	CR-339 AND RESOLUTION 13-234 WERE ADOPTED. 9 AYES: ANDERSON, CHANG, FUKUNAGA, HARIMOTO, KOBAYASHI, MANAHAN, MARTIN, MENOR, PINE.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.


BERNICE K. N. MAU, CITY CLERK


ERNEST Y. MARTIN, CHAIR AND PRESIDING OFFICER