PROCUREMENT POLICY BOARD MEETING
May 15, 2008
1:00 pm
Conference Room 410
1151 Punchbowl Street
Honolulu, Hawaii 96813

Members Present

Gregory King, Chair
Pamela Torres, Vice-Chair
Russ Saito, Secretary
Leslie Chinen, member
Keith Matsumoto, member
Daryle Ann Ho, member
Darryl Bardusch, member

Others

Aaron Fujioka, State Procurement Office
Ruth Yamaguchi, State Procurement Office
Pat Ohara, Office of the Attorney General
Terry Thomason, Alston Hunt Floyd & Ing
Steven Kamaura, Department of Human Resources Development
Cassandra Adachi, Department of Human Resources Development
Diane Sumida, Department of Human Resources Development
Jamie Woodford, Servco Insurance Services
Beverly Braun, City and County of Honolulu, Risk Manager
Isaac Maeda, Department of Agriculture
Kathy Kanemori, Honolulu Board of Water Supply
Susan Yamamoto, Department of Human Services
Wil Ikemori, Department of Human Services

Agenda Item I - Call to Order

Chair Greg King called the meeting to order at 1:00 p.m.

Agenda Item II - Minutes

Mr. Darryl Bardusch made a motion, seconded by Ms. Daryle Ann Ho, to approve the minutes of the April 17, 2008 meeting. The motion was unanimously carried.

Agenda Item III

Ms. Patricia Ohara, reported that she was not prepared to address this issue at this time.

Mr. Bardusch commented that the only difference between the 3 proposals is the 1st page, paragraph 2 at the bottom of proposal 1 regarding price. The board discussed the proposals and heard comments from Mr. Terry Thomason. Following the discussion, Ms. Ohara stated she would report back to the board at the next meeting.

Mr. Keith Matsumoto made a motion, seconded by Ms. Ho, to defer Agenda Item III. Mr. King, Ms. Pamela Torres, Ms. Ho, Mr. Leslie Chinen and Mr. Matsumoto voted in favor of the motion. Mr. Bardusch and Mr. Russ Saito opposed. The motion was carried.

Agenda Item IV

Mr. Bardusch stated his concern was not so much about what was being purchased, but how they were being purchased. He feels the procurement code allows for exemptions and sole source on a case by case basis.

Ms. Diane Sumida presented oral testimony on exemption no. 3. Mr. Isaac Maeda presented oral testimony on exemption no. 9. Ms. Susan Yamamoto presented oral testimony on exemption nos. 3 and 15. All of the oral testimonies were in favor of continuing the respective exemptions.

Mr. Saito made a motion, seconded by Mr. Bardusch, to defer Agenda Item IV and have SPO review their matrix for potential competition in lieu of the exemption and to add a column to summarize the written testimonies. The motion was unanimously carried.

Agenda Item V

Mr. Fujioka presented a Summary of significant legislative bills relating to procurement for 2008 and a copy of SB 2824, SD 1, HD 1, CD 1 to the board.

Mr. Fujioka stated that the next board meeting is tentatively scheduled for Thursday, June 19, 2008 at 1:00 pm.

Agenda Item VI

Mr. Saito made a motion, seconded by Ms. Torres, to adjourn the meeting. The motion was unanimously carried. The meeting was adjourned at 3:14 p.m.

Respectfully submitted,

5/30/08
Date

Russ K. Saito
RUSS K. SAITO, Secretary
Procurement Policy Board

Attachment: May 15, 2008 Agenda

PROCUREMENT POLICY BOARD
1151 Punchbowl Street
Conference Room 410
Honolulu, Hawaii 96813

Regular Meeting
May 15, 2008
1:00 pm

AGENDA

I. Call to Order.

II. Approval of Minutes – Meeting of April 17, 2008.

III. Report by Deputy Attorney General Patricia Ohara on the various versions of the proposed rules to HAR Chapter 3-125, Modifications and Terminations of Contracts:

a. Proposal 1 – submitted by the Attorney General's Office/State Procurement Office on October 18, 2007 (view at website below, PPB Agenda for October 18, 2007);

b. Proposal 2 – submitted by Jessica Horiuchi/Terry Thomason on October 18, 2007 (view at website below, PPB Agenda for October 18, 2007); and

c. Proposal 3 – submitted by Member Darryl Bardusch on February 21, 2008 (view at website below, PPB Agenda for February 21, 2008, agenda item IX, pages 9-21).

IV. Annual Review of HAR Chapter 3-120, Exhibit A, Procurements Exempt from HRS Chapter 103D:

a. Request by Member Darryl Bardusch to eliminate exemption numbers 1, 3, 5, 7, 9, 10, 14, and 15 from HAR Chapter 3-120, Exhibit A, Procurements Exempt from HRS Chapter 103D; and

b. Proposed SPO amendments for HAR Chapter 3-120, Exhibit A, Procurements Exempt from HRS Chapter 103D.

V. Announcements.

VI. Adjournment.

Available agenda items may be viewed at www.spo.hawaii.gov/procurement-policy-board-minutes-of-meeting. Individuals may present testimony on matters on the Procurement Policy Board's agenda when the agenda item is being discussed by the Board. Individuals intending to testify should contact the State Procurement Office at (808) 587-4700 at least 48 hours before the scheduled meeting. Written testimonies will be accepted through e-mail at procurement.policy.board@hawaii.gov or faxed to (808) 587-4703 until 1:00 pm, May 13, 2008. Testimonies received after the May 13, 2008 deadline will be forwarded to the board after the May 15, 2008 meeting. Individuals submitting written testimony at the meeting and would like the written testimony distributed to the board at this meeting, are requested to provide 12 copies.

Individuals requiring special assistance or services may call (808) 587-4700 by 1:00 p.m., May 12, 2008 to discuss accommodation arrangements.