H.C.R. NO. 351

HOUSE CONCURRENT RESOLUTION

REQUESTING A FEASIBILITY STUDY ON IMPLEMENTING THE BEST PRACTICE OF FRONT LOADING REPAIR AND MAINTENANCE COSTS OF STATE FACILITIES FOR SET ASIDE FOR EVENTUAL FUTURE REPAIR AND MAINTENANCE COSTS.

1 WHEREAS, the issue of repair and maintenance of public 2 facilities, including school facilities, the University of 3 Hawaii, our harbors, and many others, have taken the spotlight 4 in the public eye for many years now at the State Legislature; 5 and

7 WHEREAS, in the case of public school facilities, the 8 Department of Education has testified on numerous occasions that 9 the annual amount of funding needed to keep up with a year's 10 worth of repair and maintenance is approximately \$100 million, 11 and that the backlog of repair and maintenance work has 12 decreased in recent years to a range of approximately \$200 to 13 \$300 million; and

15 WHEREAS, the University of Hawaii testified this year that 16 the repair and maintenance needs for the University are in the 17 \$165 million range, including improvements to both educational 18 and athletic facilities; and

20 WHEREAS, in cooperation with the Administration, a group of harbor facility users, including the stevedores, Matson, Young 21 Brothers, Horizon Lines, Norwegian Cruise Lines, the Superferry, 22 and various other entities such as oil refiners, cement 23 companies, and wholesalers, introduced legislation directed at 24 increasing capacity and improving operations at state harbors, 25 through which an overwhelming majority of our goods and services 26 pass through; and 27

29 WHEREAS, the price tag for renovating our long neglected 30 state harbor system is estimated at \$842 million; and



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1 2 WHEREAS, the Aloha Stadium Authority testified this year 3 that repairs and maintenance to the Aloha Stadium would cost approximately \$165 million, and that construction of an entirely 4 5 new stadium would top \$500 million; and 6 7 WHEREAS, Honolulu International Airport is currently 8 undergoing renovations that require tens of millions of dollars; and 9 10 11 WHEREAS, we also know anecdotally that our highways and roads are in a state of disrepair, as well as other state 12 facilities; and 13 14 15 WHEREAS, the current backlog of repair and maintenance in all state facilities cannot be traced to one event or one 16 17 decision, rather, it is the culmination of a series of individual decisions through the decades to either withhold 18 funding for individual repair and maintenance projects or to 19 withhold authorization for funding of individual repair and 20 maintenance projects; and 21 22 23 WHEREAS, in the past, repair and maintenance funding has been reduced when revenues were tight; and 24 25 WHEREAS, most building and maintenance professionals agree 26 that best practices in the construction of new building and 27 facilities is that anywhere from three to six percent of the 28 total construction cost of the building or facility should be 29 30 set aside up front for the eventual future repair and maintenance costs of the building or facility; and 31 32 WHEREAS, such a practice would require a greater price tag 33 on the initial construction cost of a building or facility, but 34 over time, would mitigate the need for crisis budgeting of 35 repair and maintenance and would reduce repair and maintenance 36 backlogs in lean budget times; now, therefore, 37 38 BE IT RESOLVED by the House of Representatives of the 39 Twenty-fourth Legislature of the State of Hawaii, Regular 40 Session of 2008, the Senate concurring, that the Department of 41 Accounting and General Services is requested to conduct a study 42 on the feasibility of implementing the best practice of front 43



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1 loading repair and maintenance costs of state facilities for set aside for eventual future repair and maintenance costs; and 2 3 4 BE IT FURTHER RESOLVED as part of the study, the Department of Accounting and General Services is requested to include a 5 total inventory of all state buildings and facilities and to 6 cite the remaining useful life of each state building and 7 8 facility as well as the estimated repair and maintenance 9 projects and costs and the cost of total renovation or 10 reconstruction; and 11 12 BE IT FURTHER RESOLVED all state departments are requested 13 to cooperate with the Department of Accounting and General 14 Services in the compilation of information for the study; and 15 16 BE IT FURTHER RESOLVED if the study shows that it is 17 feasible and prudent to implement this best practice, the Department of Accounting and General Services is requested, with 18 19 the assistance of the Attorney General, to draft any legislation 20 needed to implement this best practice; and 21 BE IT FURTHER RESOLVED the study, and any proposed 22 23 legislation, if any, be transmitted to the Legislature no later 24 than 20 days prior to the convening of the 2009 Regular Session; 25 and 26 BE IT FURTHER RESOLVED that certified copies of this 27 Concurrent Resolution be transmitted to the Governor, the State 28 Comptroller, the Chair of the Department of Agriculture, the 29 30 Director of Department of Budget and Finance, the Director of the Department of Business, Economic Development and Tourism, 31 32 the Director of the Department of Commerce and Consumer Affairs, the Department of Defense, the Board of Education, the 33 34 Superintendent of Education, the Chairperson of the Department 35 of Hawaiian Homelands, the Director of the Department of Health, the Director of the Department of Human Resources Development, 36 the Director of the Department of Human Services, the Director 37 of the Department of Labor and Industrial Relations, the 38 Chairperson of the Department of Land and Natural Resources, the 39 Director of the Department of Public Safety, the Director of the 40 Department of Taxation, the Director of the Department of 41 Transportation, the Board of Regents of the University of 42 Hawaii, the President of the University of Hawaii, the Chief 43



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Justice of the Supreme Court, the Speaker of the House of
Representatives, and the President of the Senate.

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OFFERED BY:

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