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HOUSE 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.

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

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

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

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

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

WHEREAS, the Aloha Stadium Authority testified this year that repairs and maintenance to the Aloha Stadium would cost approximately \$165 million, and that construction of an entirely new stadium would top \$500 million; and

WHEREAS, Honolulu International Airport is currently undergoing renovations that require tens of millions of dollars; and

WHEREAS, we also know anecdotally that our highways and roads are in a state of disrepair, as well as other state facilities; and

WHEREAS, the current backlog of repair and maintenance in all state facilities cannot be traced to one event or one decision, rather, it is the culmination of a series of individual decisions through the decades to either withhold funding for individual repair and maintenance projects or to withhold authorization for funding of individual repair and maintenance projects; and

WHEREAS, in the past, repair and maintenance funding has been reduced when revenues were tight; and

WHEREAS, most building and maintenance professionals agree that best practices in the construction of new building and facilities is that anywhere from three to six percent of the total construction cost of the building or facility should be set aside up front for the eventual future repair and maintenance costs of the building or facility; and

WHEREAS, such a practice would require a greater price tag on the initial construction cost of a building or facility, but over time, would mitigate the need for crisis budgeting of repair and maintenance and would reduce repair and maintenance backlogs in lean budget times; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-fourth Legislature of the State of Hawaii, Regular Session of 2008, that the Department of Accounting and General

Services is requested to conduct a study on the feasibility of implementing the best practice of front loading repair and maintenance costs of state facilities for set aside for eventual future repair and maintenance costs; and

BE IT FURTHER RESOLVED as part of the study, the Department of Accounting and General Services is requested to include a total inventory of all state buildings and facilities and to cite the remaining useful life of each state building and facility as well as the estimated repair and maintenance projects and costs and the cost of total renovation or reconstruction; and

BE IT FURTHER RESOLVED all state departments are requested to cooperate with the Department of Accounting and General Services in the compilation of information for the study; and

BE IT FURTHER RESOLVED if the study shows that it is feasible and prudent to implement this best practice, the Department of Accounting and General Services is requested, with the assistance of the Attorney General, to draft any legislation needed to implement this best practice; and

BE IT FURTHER RESOLVED the study, and any proposed legislation, if any, be transmitted to the Legislature no later than 20 days prior to the convening of the 2009 Regular Session; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Governor, the State Comptroller, the Chair of the Department of Agriculture, the Director of Department of Budget and Finance, the Director of the Department of Business, Economic Development and Tourism, the Director of the Department of Commerce and Consumer Affairs, the Department of Defense, the Board of Education, the Superintendent of Education, the Chairperson of the Department of Hawaiian Homelands, the Director of the Department of Human Resources Development, the Director of the Department of Human Services, the Director of the Department of Labor and Industrial Relations, the Chairperson of the Department of Land and Natural Resources, the

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- Department of Taxation, the Director of the Department of
- 3 Transportation, the Board of Regents of the University of
- 4 Hawaii, the President of the University of Hawaii, the Chief
- 5 Justice of the Supreme Court, the Speaker of the House of
- 6 Representatives, and the President of the Senate.

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OFFERED BY:



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