

JAN 19 2007

---

---

# A BILL FOR AN ACT

RELATING TO EDUCATION REPAIR AND MAINTENANCE ACCOUNTS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that recent legislative  
2 funding has made it possible to reduce the backlog of repair and  
3 maintenance projects for school facilities. In addition, the  
4 department of education has developed a facilities project  
5 tracking system that provides detailed information about repair  
6 and maintenance projects. Therefore, it is unnecessary to  
7 maintain separate accounts for repair and maintenance projects.

8           The purpose of this Act is to repeal the repair and  
9 maintenance account for projects on the backlog list as of  
10 June 30, 2000, and amend those provisions of the remaining  
11 account to accommodate all repair and maintenance projects of  
12 the department of education.

13           SECTION 2. Section 36-36, Hawaii Revised Statutes, is  
14 amended as follows:

15           1. By amending the title and subsection (a) to read:

16           "§36-36 School [~~physical plant operations~~] facilities  
17 repair and maintenance account; maintenance schedule. (a)



1 There is created in the state general fund under EDN 400 (school  
2 support) the school [~~physical plant operations~~] facilities  
3 repair and maintenance account, into which shall be deposited  
4 all legislative appropriations to the account.

5 The moneys in the account shall be used solely for school  
6 repairs and preventive maintenance projects [~~scheduled after~~  
7 ~~June 30, 2001~~]. Expenditures from the account shall be subject  
8 to sections 37-31 and 37-33 to 37-40. Based on the  
9 prioritization approved by the department of education as  
10 prescribed by section 302A-1505, appropriations or  
11 authorizations from the account shall be expended by the  
12 superintendent of education."

13 2. By amending subsection (c) to read:

14 "(c) Moneys in [~~physical plant operations~~] the school  
15 facilities repair and maintenance account shall be allocated  
16 according to departmental school districts based on:

17 (1) Estimated preventive and scheduled maintenance costs  
18 that reflect the age and condition of existing school  
19 facilities in the State in the following categories:  
20 re-roofing, electrical, athletic facilities, re-  
21 surfacing, equipment, exterior painting, plumbing,  
22 structural integrity, termite ground treatment,



1 termite tent treatment, interior painting, air  
2 conditioning change out, and re-carpeting; and  
3 (2) Budgeted recurring maintenance, health and safety  
4 requirements, and legal mandates."

5 SECTION 3. Section 36-35, Hawaii Revised Statutes, is  
6 repealed.

7 ~~["§36-35 State educational facilities repair and~~  
8 ~~maintenance account. (a) There is created in the state general~~  
9 ~~fund under EDN 400 (school support) the state educational~~  
10 ~~facilities repair and maintenance account, into which shall be~~  
11 ~~deposited legislative appropriations to the account designated~~  
12 ~~for use solely to eliminate the backlog of school repair and~~  
13 ~~maintenance projects, including the repair or replacement of~~  
14 ~~fixtures, furnishings, and equipment, existing on June 30, 2000.~~  
15 ~~Expenditures from the account shall be subject to sections 37-31~~  
16 ~~and 37-33 to 37-40. Based on the prioritization approved by the~~  
17 ~~department of education as prescribed by section 302A-1505,~~  
18 ~~appropriations or authorizations from the account shall be~~  
19 ~~expended by the superintendent of education.~~  
20 ~~(b) The department of education shall review the existing~~  
21 ~~condition of school facilities and establish specific vision~~  
22 ~~plans for each school complex based on current repair and~~



1 ~~maintenance requirements and overall repair and maintenance~~  
2 ~~priorities.~~

3 ~~(c) Criteria used to establish current repair and~~  
4 ~~maintenance requirements may include:~~

5 ~~(1) The remaining useful life of the school facility and~~  
6 ~~its major components;~~

7 ~~(2) The adjusted life of the school facility and its major~~  
8 ~~components after repair or maintenance; and~~

9 ~~(3) The current and future repair and maintenance~~  
10 ~~requirements of the school facility and its components~~  
11 ~~based on established industry standards or product~~  
12 ~~manufacturer recommendations;~~

13 ~~provided that demolition of a facility or any of its components~~  
14 ~~may be recommended if the cost of the repairs do not justify the~~  
15 ~~adjusted life or remaining life of the facility.~~

16 ~~(d) Criteria used to establish overall repair and~~  
17 ~~maintenance requirements may include:~~

18 ~~(1) Whether a school facility will continue to be used for~~  
19 ~~the next twenty five years; and~~

20 ~~(2) Whether a repair or maintenance project is required:~~

21 ~~(A) For health or safety reasons;~~

22 ~~(B) To comply with legal mandates;~~



1           ~~(C) To comply with current building codes, or~~  
2           ~~(D) For preventive maintenance reasons,~~  
3 ~~provided that in developing criteria, consideration shall be~~  
4 ~~given to school facilities that were more than twenty five years~~  
5 ~~of age on July 1, 2000.~~

6           ~~(e) The expenditure of funds for any project with an~~  
7 ~~estimated total cost of less than \$100,000 shall be exempt from~~  
8 ~~section 464 4, provided that:~~

9           ~~(1) The superintendent of education shall develop internal~~  
10 ~~policies and procedures for the procurement of goods,~~  
11 ~~services, and construction, consistent with the goals~~  
12 ~~of public accountability and public procurement~~  
13 ~~practices;~~

14           ~~(2) Insofar as is practical, and based on specifications~~  
15 ~~developed, adequate and reasonable competition of no~~  
16 ~~fewer than three proposals shall be solicited for each~~  
17 ~~project, based on rules adopted by the superintendent~~  
18 ~~of education;~~

19           ~~(3) Considering all factors, including quality, warranty,~~  
20 ~~and delivery, the award shall be made to the vendor~~  
21 ~~with the most advantageous proposal;~~



1       ~~(4) The procurement requirements shall not be artificially~~  
2       ~~divided or parceled so as to avoid competitive bidding~~  
3       ~~or competitive proposals, and~~

4       ~~(5) Formal design for projects shall be done when there is~~  
5       ~~a clear need to preserve structural integrity, health~~  
6       ~~and safety, or to clearly communicate construction~~  
7       ~~requirements.~~

8       ~~For all projects, the superintendent of education shall~~  
9       ~~develop a strategy for the efficient and cost effective use of~~  
10      ~~government and private sector workforces and consider increased~~  
11      ~~flexibility through public private partnering, design build~~  
12      ~~options, cost plus, job order contracts, performance based~~  
13      ~~contracts, request for proposals, and any other means to improve~~  
14      ~~communications and accelerate repairs while preserving the~~  
15      ~~quality of the repairs.~~

16      ~~(f) The superintendent of education shall ensure that all~~  
17      ~~repair and maintenance projects achieve maximum cost efficiency~~  
18      ~~by emphasizing functional or performance criteria, uniformity of~~  
19      ~~design, and commonality of products, and by avoiding unique or~~  
20      ~~custom requirements that increase costs. The superintendent of~~  
21      ~~education shall develop project specifications based on generic~~  
22      ~~specifications or prescriptive specifications using standard~~



1 ~~commercial products. Prescriptive specifications may include a~~  
2 ~~qualified product list.~~

3 ~~For the purposes of this subsection:~~

4 ~~"Generic specification" means a technical specification~~  
5 ~~that is written in a clear, unambiguous, and nonrestrictive~~  
6 ~~manner establishing:~~

7 ~~(1) Design, performance, or functional requirements to~~  
8 ~~identify the work to be performed; and~~

9 ~~(2) Material standards to be used on a project.~~

10 ~~"Prescriptive specification" means a technical~~  
11 ~~specification:~~

12 ~~(1) Establishing that the required work to be performed is~~  
13 ~~written in a clear, unambiguous, and nonrestrictive~~  
14 ~~manner; and~~

15 ~~(2) Listing manufacturers or products that are acceptable~~  
16 ~~for use on the project.~~

17 ~~"Standard commercial product" means a product or material~~  
18 ~~that in the normal course of business is customarily maintained~~  
19 ~~in stock by, or readily available for marketing from a~~  
20 ~~manufacturer, distributor, or dealer.~~

21 ~~This subsection shall not apply to any school facility~~  
22 ~~designated a historic property pursuant to section 6E-5.5.~~



1       ~~(g) The superintendent of education shall submit an annual~~  
2 ~~report to the legislature, which shall include a financial~~  
3 ~~statement of the account and the status of repair and~~  
4 ~~maintenance projects undertaken pursuant to this section, no~~  
5 ~~later than twenty days prior to the convening of each regular~~  
6 ~~session. Expenditures for repair and maintenance projects~~  
7 ~~undertaken pursuant to this section shall be posted~~  
8 ~~electronically on the Internet by the department of education~~  
9 ~~within thirty days of each project's completion.~~

10       ~~(h) This section shall be repealed on July 1, 2020." ]~~

11       SECTION 4. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13       SECTION 5. This Act shall take effect upon its approval.

14

INTRODUCED BY: Norman Sataung



**Report Title:**

Education; Repair and Maintenance Account

**Description:**

Repeals the repair and maintenance account for projects on the backlog list and amends the provisions of the remaining repair and maintenance account for all repair and maintenance projects.

