

2015-2016 HONOLULU CHARTER COMMISSION  
CITY AND COUNTY OF HONOLULU  
CHARTER AMENDMENT PROPOSAL FORM

1. Provide a brief description of the:
- Proposed Charter amendment;
  - Purpose of the proposed Charter amendment;
  - Issue or problem to be addressed by the proposal; and
  - How the proposal would address the issue or problem.

This proposed Charter amendment is intended to align Charter Section 9-301, Centralized Purchasing, with the Hawaii Public Procurement Code, Hawaii Revised Statutes (HRS) Chapter 103D and to remove the requirement for an appointed standardization committee.

The Hawaii Public Procurement Code, Hawaii Revised Statutes Chapter 103D, was enacted in 1994. The Code applies to all public procurement in the State of Hawaii including that of the City. Prior to the enactment, Charter Sections 9-301.3 through 9-301.7 governed public procurement by the City. With the enactment of the Code, the Charter Sections 9-301.3 and 9-301.6(a) and (b) were effectively superseded and are no longer necessary.

In addition, the standardization committee requirement, as provided under Charter Section 9-301.2 is functionally obsolete. Due to the diversity in City agency requirements as the City has grown over the years, the range of specialized products available in the market today, the application of evolving complex technology and the technical expertise necessary to evaluate this technology, and the need to foster fair and open competition in public procurement, it is impractical for the City to use an appointed committee to classify and standardize all materials, supplies, and equipment used by the City, as contemplated by the existing Charter provision. Consequently, a standardization committee as outlined in the Charter has not been appointed in more than 30 years. Instead, ad hoc committees have been convened periodically to develop standards for the procurement of specific types of materials, supplies and equipment.

2. If applicable, list the Charter provision affected by the proposal.

Section 9-301. Centralized Purchasing –

3. If the proposal is based on a provision or provisions in the charter or laws of another jurisdiction (e.g., another county, city, or municipality), name the jurisdiction and, if possible, attach a copy of each provision or law.

n/a

4. If the proposal is based on any written materials you have, please attach a copy of each with a citation to its source.

n/a

5. Attach the text of the proposed Charter amendment in Ramseyer format (see instructions below).

Section 9-301. Centralized Purchasing --

1. The department of budget and fiscal services shall be responsible for the procurement of all materials, supplies, equipment, construction and services required by any agency of the city.

2. [There shall be a standardization committee composed of five members. The mayor shall appoint four members, each of whom shall be from a separate department. The fifth member shall be a representative for the department of budget and fiscal services who shall serve as chair of the committee. The committee shall classify all materials, supplies, and equipment commonly used by the various agencies of the city and shall prepare and adopt standards and specifications for such materials, supplies and equipment.]

3. All purchases and contracts for materials, supplies, equipment, construction and services shall be made [by advertising, except that such purchases and contracts may be negotiated without advertising if:

- (a) The public exigency will not admit of the delay incident to advertising.
- (b) The amount involved does not exceed limits specified for various types of contracts in applicable state statutes, as the same may be amended from time to time.
- (c) It is impracticable to secure competitive bidding for materials, supplies and equipment, including animals, plants, food and fodder for animals in the zoo, non-processed agricultural products, patented or proprietary articles and books and publications.

- (d) It is determined that the procurement of equipment determined to be technical equipment is necessary to assure standardization of the equipment and interchangeability of parts and that such standardization and interchangeability are necessary in the interest of economy.
- (e) The advertisement for bids shall be made for a sufficient time before the purchase or contract, and specifications and invitations for bids shall permit such full and free competition as is consistent with the procurement of the types of materials, supplies, equipment and services necessary to meet the requirements of the agency concerned.

All bids shall be publicly opened at the time and place stated in the advertisement. Award shall be made with reasonable promptness by written notice to that responsible bidder, whose bid, conforming to the invitation for bids, will be most advantageous to the city, price and other factors considered.] in accordance with the Hawaii Revised Statutes and applicable Hawaii Administrative Rules.

4. Purchase orders shall be issued upon the endorsement of the purchasing administrator, and such endorsement shall be made in accordance with rules and regulations promulgated by the director of budget and fiscal services.

5. The director of budget and fiscal services shall, from time to time, secure from all agencies estimates of their needs for articles of common use and shall, when practicable, consolidate requisitions in order to secure the benefits of quantity purchases, and to that end, [when authorized by the council,] cooperate with other public agencies.

6. The director of budget and fiscal services shall by rules and regulations provide for:

- (a) [Emergency purchases which might be required.
- (b) ]Petty cash funds or blanket purchase orders or both.
- [(c) Noncompetitive purchases and contracts provided for under Subsection 9-301.3(c) of this charter.]
- [(d)] (b) Approval and signing procedures related to the issuance of purchase orders.
- [(e)] (c) Such other matters as the director may reasonably deem necessary for the effective administration and implementation of federal, state and city purchasing and contracting laws.

7. The director of budget and fiscal services shall require such guarantees of performance by vendors as in the director's opinion may be necessary or as may be prescribed by ordinance.

Ramseyer format:

- **AMENDING AN EXISTING CHARTER PROVISION:** Indicate by underscoring, any language being proposed to be added to the Charter and indicate by [bracketing], any language being proposed to be deleted from the Charter.
- **REPLACING AN EXISTING CHARTER PROVISION:** [Bracket] the article, chapter, or section of the Charter proposed to be deleted, and underscore the text of any provision proposed to replace the deleted material.
- **ADDING A NEW CHARTER PROVISION:** Provide the text of the new provision and, if possible, indicate where in the Charter the new material should be added.

6. If this proposal is being submitted by an organization, please indicate the organization. If it is being submitted by an individual, please indicate the individual's first and last name.\*

City and County of Honolulu, Office of the Managing Director

7. Please include the address, phone number, and email of the organization or individual from Item 6 above, if you would like to be contacted.\*

Roy K. Amemiya, Jr.  
Managing Director  
City and County of Honolulu  
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Honolulu, Hawaii 96813  
(808) 768-4275

\*Responses to Items 6 and 7 are optional; however, providing responses to these items will help the Commission's deliberations, especially when additional information or research is required. Please be aware that these document will be part of the public record and available to the public.

All proposals must be submitted by **October 31, 2015**.

You may submit your proposal by:

- Filling the form online and uploading documents, if any; or
- Submitting your completed form and any attachments by mail or email:
  - ✓ Mail to:  
2015-2016 Charter Commission  
City and County of Honolulu  
530 South King Street, Room 501  
Honolulu, Hawaii 96813
  - ✓ Email to:

cclcharter@honolulu.gov

*Thank you for participating in the 2015-2016 Honolulu Charter Commission process!*