

P.S.

Original
Sample 564

GEORGE R. ARIYOSHI
GOVERNOR



HIDEO MURAKAMI
COMPTROLLER
MIKE N. TOKUNAGA
DEPUTY COMPTROLLER

TO: *Downard*
ATTN: *Jane*

PI: 28

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES
P. O. BOX 119
HONOLULU, HAWAII 96810
November 23, 1983

LETTER NO.
PS-84-381.2

MEMORANDUM

TO: Honorable Susumu Ono, Chairperson
Board of Land and Natural Resources

FROM: Hideo Murakami, State Comptroller

SUBJECT: Waiver of Bid Publishing Requirements in Chapter 103-22,
HRS, for Payment of Services Rendered
(Reference No. 84-191)

Approval is granted to process payment in the amount of \$6,404.58 to Reginald Knipes and Associates on an after-the-fact basis for court reporting services.

Purchasing Branch is looking into contracting for such services for agencies on Oahu. Should you have need for this service prior to receiving notification of such contract, please contact Earl Dedell of the Purchasing and Supply Division at 548-4057.

Hideo Murakami
HIDEO MURAKAMI
State Comptroller

① *Ma Florio*
Sample copy of
waiver request to
DAGS (from
Planning Office)
for over \$4,000
court reporting service

② *Dean - to write for*
Downard's request

[Faint, illegible text]

REF. NO.: CPO-348

NOV 21 1981

MEMORANDUM

TO: Honorable Hideo Murakami, Comptroller
Department of Accounting and General Services

FROM: Susumu Ono, Chairperson
Board of Land and Natural Resources

SUBJECT: Waiver of Bid Publishing Requirements in Chapter 103-22 HRS, for
Payment of Services Rendered

BACKGROUND

The Department of Land and Natural Resources has recently concluded a contested case hearing on Conservation District Use Application OA-7/27/81-1405 for the Interstate Route H-3 Highway.

As a part of our process, a court reporter was hired to prepare a transcript of the hearing. We contacted and solicited bids from 75 court reporting, secretarial and/or legal reporting firms listed in the yellow pages. They were each sent a sheet listing the terms and conditions of the job (Attachment 1).

Due to the quasi-judicial nature of a contested case hearing, we were unable to predict the exact length of time required to complete the hearing. Consequently, we were unable to calculate the total cost for the job.

Of the 75 firms contacted only three prepared a bid proposal (Attachments 2, 3, 4). Based on our previous experience with the Geothermal Contested Case Hearing, we calculated that the hearings would generate approximately 300 pages/day of transcripts. Thus we were able to estimate a one day cost from each of the three firms. The estimates were as follows:

KNIPES:

Appearance Fee (1 day)	=	\$ 120.00
300 pages @\$3.75 (orig. & 1)	=	1125.00
1 Day Total	=	\$1245.00

NOV 21 1993

IWADO-TYLER:

300 pages @\$6.90 (orig. & 1)	=	\$2070.00
		1 Day Total = \$2070.00

FILIBECK:

Appearance Fee (1 Day)	=	\$ 120.00
300 Pages @\$5.50 (orig. transcript)	=	1650.00
300 Pages/copy @\$.25/page	=	75.00
		1 Day Total = \$1845.00

Knipes was chosen as the court reporter because they were the low bidder.

The contested case hearing lasted a total of five days, September 12 through 15 with closing arguments held on October 12th. The total bill for the transcript was \$6,404.58 (Purchase Orders C23190 and C23288).

THE PROBLEM

We have received, from your Department's Pre-Audit Branch, notification that the Court Reporters hired for the job, Reginald Knipes and Associates would not be paid because this Department did not follow the formal procedure of publishing the bid in the newspaper.

At this time may we request that, although a bid was not published, Reginald Knipes and Associates be paid for their services. Furthermore, in order to alleviate this type of problem in the future, and since in all likelihood, this Department will be involved in more contested case hearings, may we also request a determination from you regarding the process we should employ in selecting a court reporter.

In our opinion, the major problem in selecting a court reporter appears to be that the cost of the transcript cannot be determined until the contested case hearing is completed.

We would appreciate any type of assistance you can provide us in resolving this matter. Should you have any questions please feel free to contact my Planning Office Staff at X7837.

SUSUMU ONO

Attachments

BY:gt

GEORGE R. ARIYOSHI
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
P. O. BOX 621
HONOLULU, HAWAII 96809

SUSUMU ONO, CHAIRMAN
BOARD OF LAND & NATURAL RESOURCES
EDGAR A. HAMASU
DEPUTY TO THE CHAIRMAN

83 NOV 8 10 26 AM '83
DIVISIONS:
AQUACULTURE DEVELOPMENT PROGRAM
AQUATIC RESOURCES
CONSERVATION AND RESOURCES ENFORCEMENT
CONVEYANCES
FORESTRY AND WILDLIFE
LAND MANAGEMENT
STATE PARKS
WATER AND LAND DEVELOPMENT

DEPT. OF LAND
NATURAL RESOURCES
STATE OF HAWAII

RECEIVED
FISCAL OFFICE
NOV 26 2:58 PM '83

*This form letter was mailed on August 16, 1983
to 75 Court Reporting firms/Secretarial/Legal Reporting
listed in the yellow pages of phone book.

SUBJECT: BID PROPOSALS FOR COURT REPORTING SERVICES

The Department of Land and Natural Resources is soliciting bid proposals from interested parties for court reporting services at a Contested Case Hearing, conducted by this Department, on the Interstate Route H-3 highway. The hearing is scheduled for the following dates:

September 12-16; 19-21, and 26-30.

Although a three week period has been scheduled, the hearing may not last the entire three weeks. The hearing will start at approximately 9:00 a.m. and end at 10:00 p.m. each day.

Terms and Conditions of Bid

1. Turn-around time--we will require that a week's transcripts be due 8:00 a.m. the following Monday morning. The due dates for the transcripts are as follows:
 - Transcripts for week of September 12-16 due: 8:00 a.m. Monday, Sept. 19
 - Transcripts for week of September 19-21 due: 8:00 a.m. Monday, Sept. 26
 - Transcripts for week of September 26-30 due: 8:00 a.m. Monday, Oct. 3
2. Cost Estimate - List cost breakdown for the following items:
 - Appearance Fee (AM/PM)
 - Transcript Original only
 - Transcript original and 1 copy
 - Transcript original and 2 copies
 - Transcript original and 3 copies
 - Transcript original and 4 copies.

Interested parties should submit a written bid proposal to the Planning Office, Kalanimoku Building, Room 131, 1151 Punchbowl Street, Honolulu, Hawaii 96813, by Friday, August 26, 1983. Should you have any questions, please feel free to contact the Planning Office Staff at 548-7837.

Yours truly,

ROGER C. EVANS
Staff Planner

REGINALD KNIPES & ASSOCIATES
COURT REPORTERS

August 22, 1983

Mr. Roger C. Evans, Staff Planner
Planning Office
Department of Land & Natural Resources
State of Hawaii
1151 Punchbowl Street
Honolulu, Hawaii 96813

Re: Proposal for reporting services. Ref. No. CPO 311

Dear Mr. Evans:

We propose hereby to furnish reporting services for public hearings to be held by the Department on Oahu, in re Interstate Route H-3 highway on September 12-16, 19-21 and 26-30, under the following terms and conditions:

Transcript delivery: Sept. 12-16 delivered by 8:00 a.m., Sept. 19
Sept. 19-21 delivered by 8:00 a.m., Sept. 26
Sept. 26-30 delivered by 8:00 a.m., Oct. 3

Transcript format: Spiral bound or 3-hole binders at your discretion. 25-line with witness' name and pge. number leader.

Charges: Attendance fee: \$35 per half-day session
\$50 per evening session
Orig. & 1 cc \$3.75 pp.
Orig. only \$3.70 pp.
Orig. & 2 ccs \$3.95 pp.
Orig. & 3 ccs \$4.20 pp.
Orig. & 4 ccs \$4.35 pp.
Expedited delivery on Friday's sessions, add 25%
Key-word/key-phrase indexing [no charge first 50 pages.
50 cents per page over 50.]

Please let us know as soon as possible if we are the successful bidder. September is a busy time for us, and we will need to assign three reporters to cover this assignment.

We understand that the hearings may not last the entire three week schedule.

Very truly yours,
Reginald D. Knipes
Reginald D. Knipes, RPR

Jan

RECEIVED
AUG 23 1983
DEPT. OF LAND & NATURAL RESOURCES
STATE OF HAWAII
RECEIVED
REGINALD KNIPES & ASSOCIATES
P 2: 58

Iwado-Taylor Company

RECEIVED

'83 JUN 27 PM 1:49

CERTIFIED / REGISTERED PROFESSIONAL REPORTERS OF LAND
(808) 242-4515 & NATURAL RESOURCES
STATE OF HAWAII

*8/17 3:05 pm
From Cindy
Remain same
& in dates
Bid will
stay on
9/17-1/30
[Signature]*

June 23, 1983

Mr. Dean Uchida
Planning Office
1151 Punchbowl Street
Honolulu, HI. 96813

Rec'd Flng. Ofc	JUN 27 1983
By	[Signature]
Gordon	Enells
All	Post
Roger	Library
Len	
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Return to	

Dear Mr. Uchida:

Per our telephone conversation of June 22, 1983, Iwado-Taylor Court Reporters are pleased to bid on the Department of Land and Natural Resources hearings scheduled for August 1-18.

The services we would provide include the following:

2-3 Certified Court Reporters to cover the necessary reporting needed from 8 a.m. to 9:30 p.m. or thereafter as required.

1 scoper and proofer to prepare, edit and proof transcripts prior to delivery within the required time (no later than subsequent Monday of each week).

We would ship two of our Cimmaron computer units to Honolulu, thus insuring us of a back-up machine in the event of any type of breakdown in equipment. We would have an additional unit available in Maui as well.

1 on-call transcriber in the event of a total breakdown of any equipment. This has never been necessary in the past, however, we want to cover all bases.

Key word indexing (see attached sample) on any or all transcripts, if requested.

STATE OF HAWAII
DEPT. OF LAND
& NATURAL RESOURCES

83 NOV 8 P 2 38

83 OCT 26 P 2: 58

RECEIVED

[Handwritten signature]

Filibeck Reporting Services
Certified Court Reporters

BISHOP TRUST BUILDING
SUITE 1008
1000 BISHOP STREET
HONOLULU, HI 96813
PHONE: (808) 524-4433

'83 AUG 26 PM 12:46

DEPT. OF LAND
& NATURAL RESOURCES
STATE OF HAWAII

83 AUG 26 2:36
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& NATURAL RESOURCES
STATE OF HAWAII
• ORAL DEPOSITIONS
• MEDICAL AND RECORDS
DEPOSITION SPECIALISTS
• MEDICAL RECORDS INDEXED
• NOTICE AND SUBPOENA SERVICE
• HEARINGS AND CONVENTIONS
DEPOSITION SUITE AVAILABLE

August 23, 1983

Roger C. Evans
Dept. of Land & Natural Resources
P.O. Box 621
Honolulu, Hawaii 96809

SUBJECT: BID PROPOSAL FOR COURT REPORTING SERVICES

Dear Mr. Evans:

In response to your August 16 letter concerning a bid for court reporting services, our bid is as follows:

Appearance Fee:	\$35.00 1/2 day
	\$50.00 evening sessions
Transcript Original:	\$ 5.50 (per page)
Each additional copy:	.25

We hope you will give our bid serious consideration, Mr. Evans. We have seven qualified, experienced reporters at your disposal, along with an excellent office staff to expedite the vital steps from the reporters' hands to your office. Also, we have four Cimarron II computers by Stenograph to provide you the latest technology for computerized transcription.

If you have any questions, please call me at the above number. Thank you.

Sincerely,

James R. Filibeck

James R. Filibeck
Court Reporter

KILAUEA UPPER EAST RIFT (KANAUALE'A)
GEOTHERMAL SUBZONE CONTESTED CASE HEARING
COST ANALYSIS (12/12-20/84)

PREFACE

The following cost assessments are roughly estimated. Both hours worked and wage rates were assumed. The hearing was in session for approximately 75 hours. Many additional hours were involved as the parties, witnesses, and Board members prepared for the case and submitted or reviewed the subsequent Proposed Findings of Fact. Travel and lodging expenses were significant as some participants had to make several round trips from neighbor islands to Hilo, the site of the hearing. Some people who participated were not paid. The value of their volunteered time is indicated by an asterisk which denotes the unpaid opportunity cost.

1) Board Member Costs.

Four Board members were present during the entire 75 hours of hearings. One additional member was present for 10 hours. An additional 40 hours per member was needed to prepare and review for the case. The hearing required Board members to be on the Big Island for seven days and involved up to three round-trip interisland flights per member. Total work-hours by the Board were about 500 hours. Except for the Chairperson, the Board members are not paid salary. However, an opportunity cost is involved since their time is valuable and could have been earning income were it not for the contested case hearing.

Estimated Costs

- Chairperson: 115 hrs x \$20/hr = \$2300
- Other Board Members: 400 hrs x \$20/hr = \$8000*
- Travel and lodging:
 - 13 round trips @ \$75 = \$975
 - 25 per diems @ \$45/day = 1125

2) DLNR Staff

Nine DLNR staff people (eight DOWALD, one Planning Office) were directly involved in the contested case hearing activities. The activities included administrative work in publicizing and arranging the hearing, preparation for staff testimony, attending and testifying at the hearing, and preparation of the Proposed Findings of Fact, Conclusions of Law, and Decision and Order.

Estimated Costs

- Staff: 500 hrs x \$12/hr = \$6000
- Travel and lodging:
 - 12 round trips @ \$75 = \$900
 - 20 per diems @ \$45/day = \$900

3) Attorney General's Staff

Three AGs were involved in the case. Two were direct participants (the Board's and DOWALD's counsels) and one other in a supervisory capacity. Total estimated hours are 380.

Estimated Costs

- 300 hrs x \$15/hr = \$4500
- Travel and lodging
 - 6 round trips @ \$75 = \$450
 - 14 per diems @ \$45 = \$630

4) Court Reporters

Actual costs for transcription service were about \$12,000.

5) Campbell and True/Mid-Pacific expenses.

Actual cost to the developer for legal fees and other expenses associated with the contested case hearing was reported to be \$40,000.

6) Volcano Community Association and other plaintiffs.

Actual costs to VCA were only for materials and witnesses travel and lodging expenses which are estimated at \$3000. However, many volunteer hours were expended by legal staff and associates.
Value - \$37,000*

●	<u>Total Costs</u>		
	BLNR		
	Actual Cost		\$ 4,400
	Opportunity Cost	\$ 8,000*	
	DLNR Staff		
	Actual Cost		7,800
	Attorney General's Staff		
	Actual Cost		5,580
	Court Reporters		
	Actual Cost		12,000
	Campbell and True/Mid-Pacific		
	Actual Cost		40,000
	Volcano Community Association		
	Actual Cost		3,000
	Opportunity Cost	37,000*	
●	<u>Total State Costs</u>		
	Actual Cost		29,780
	Opportunity Cost	8,000*	
●	<u>Total Costs</u>		
	Actual Costs		72,780
	Opportunity Costs	45,000*	
	<u>TOTAL COST</u>		<u>\$118,000</u>

THE ESTATE OF JAMES CAMPBELL RECEIVED

February 5, 1985

05 FEB 6 12:59

DIV. OF WATER & LAND DEVELOPMENT

Mr. Manabu Tagamori
Director, Land & Water Development
Department of Land and Natural Resources
1151 Punchbowl Street
Honolulu, Hawaii 96813

Dear Manabu:

After our discussion about the cost of contested case hearings, I looked up the information and asked True/Mid Pacific to do the same.

Here is a summary of what the geothermal contested case cost Campbell Estate and True/Mid Pacific:

Direct Legal	\$365,874
Indirect Legal	81,800
(meetings after hearings, etc.)	
Expert Witnesses	183,000
Court Case re DLNR	<u>92,000</u>

Total Cost \$722,674

These costs do not include the time spent by employees of the Estate or True/Mid Pacific. Unfortunately, once the contested case is over, the whole issue goes before the judicial system. This is why we hope the legislature will reverse the contested case procedures. Let the experts (judges) hold the legal proceedings, then we only have to go through the process once, thereby saving much time and expense.

I hope this helps you in showing why the contested case laws should be overturned.

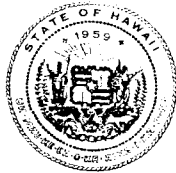
Sincerely,



Russell W. Alger
Director, Hawaii Operations

cc: Rod Moss
O. K. Stender

xc sent to J. Ono



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
P. O. BOX 621
HONOLULU, HAWAII 96809

SUSUMU ONO, CHAIRMAN
BOARD OF LAND & NATURAL RESOURCES

EDGAR A. HAMASU
DEPUTY TO THE CHAIRMAN

DIVISIONS:
AQUACULTURE DEVELOPMENT
PROGRAM
AQUATIC RESOURCES
CONSERVATION AND
RESOURCES ENFORCEMENT
CONVEYANCES
FORESTRY AND WILDLIFE
LAND MANAGEMENT
STATE PARKS
WATER AND LAND DEVELOPMENT

MEMORANDUM

TO: Honorable Hideo Murakami, Comptroller
Dept. of Accounting and General Services

FROM: Susumu Ono, Chairperson
Board of Land & Natural Resources

SUBJECT: Waiver of Bid Publishing Requirements in
Chapter 103-22, HRS, for Payment of Services
Rendered

The Board of Land and Natural Resources recently concluded a contested case hearing on the Matter of the Designation of the Kilauea Upper East Rift, Island of Hawaii, as a Geothermal Resource Subzone, G.S. No. 8/27/84-1.

As part of our process, a court reporter was required to prepare transcripts of the hearing. Due to the quasi-judicial nature of a contested case hearing, we were unable to predict the exact length of time required to complete the hearing or calculate the total cost for the job.

The unexpected length of the hearing required that a court reporter from Coleman & Associates be hired without soliciting bids from the firms listed in the yellow pages. Of the firms contacted on Oahu, Maui and Hawaii, only Coleman & Associates could provide the required reporting service on such short notice.

The contested case hearing lasted a total of six days, between December 12th through the 20th, 1985. The total bill for the transcripts provided by Coleman & Associates was \$4,314.65 (Purchase Order C54989).

We respectfully request that, although a competition bid was not solicited, Coleman & Associates be paid for their services.

Should you have any questions, please contact Manabu Tagomori of the Division of Water and Land Development at Ext. 7533.

SUSUMU ONO