

# BUILDING BLOCKS

DECEMBER 2011

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## *President's Message*

Another tough year has come and gone. Some of us are thinking the just time flew by, while others can't wait for 2011 to end so we can hope for better times in 2012. Many economists & business leaders, however, are predicting a long and slow recovery, and some have even mentioned the terrifying "double-dip". A lot of what the future holds for Hawaii depends on the world economy, as well as the fiscal policies of our federal government. In other words, things beyond our control. Suffice it to say that companies will have to continue sharpening their pencils and improving their customer service in order to survive and thrive in this competitive market. Mayor Carlisle was optimistic in his address to us regarding the Honolulu Rail Project

so let's hope for some forward progress there as the rail, and all of the related Transit Oriented Development, will provide much needed construction jobs for many years ahead. But as we mull over our budgets for next year with the anticipated decreases in volumes and profit margins, let us not forget the less fortunate in the world and in our communities. Let's be thankful for all that we have and consider giving to our favorite charities to help make life a little better for those in need. A huge Mahalo to our CFMA Board for the wonderful job they have done this year, and I wish you all the very best this Holiday Season.

—Wes

## CONTENTS:

*President's Message*

*Kroc Center tour*

*Brown Bag – HR update  
with Jeffrey Harris*

*Cancer Research Center tour*

*Basics of Construction  
Accounting class*

*Holiday social*

*Seminar with Peter Carlisle  
& Garrett Sullivan*

## IMPORTANT DATES:

*March 12, 2012 (Monday) - PAS Seminar on Salary & Compensation in the Construction Industry*

*June 23—27, 2012 (Saturday - Wednesday) - CFMA's Annual Conference & Exhibition in Orlando, Florida. The Key to a Better Bottom Line.*

## *Kroc Center Tour*

On September 30th, Hawaiian Dredging took CFMA members on a tour of the Salvation Army Ray & Joan Kroc Corps Community Center. Located on 15 acres of land in Kapolei, the 200,000 square-foot Kroc Center will be the largest community center of its kind in Hawaii when completed in the fall of 2011.

During the tour, CFMA members got a first-hand look at the Kroc Center's Harry & Jeanette Weinberg Education & Resource Center with conference and

**CLARENCE T.C. CHING,  
ATHLETIC CENTER'S  
NCAA-REGULATION  
GYMNASIUM.**



banquet rooms for 720 guests; Mary D. and Walter F. Frear Early Education Center for 150 pre-school students; 500-seat Jack & Marie Lord Worship & Performing Arts Center; Clarence T.C. Ching Athletic Center with an NCAA-regulation gymnasium; First Hawaiian Bank Hale Hookipa 48-bed dormi-

tory for traveling teams and overnight conferences; state-of-the-art Health & Wellness Center with workout equipment and facilities for individual and group fitness; an Aquatics Center featuring a competition pool and a recreation pool with giant water slides; and a 3-acre multipurpose field for outdoor programs.

**AQUATICS CENTER RECREATION POOL WITH  
GIANT WATER SLIDES.**



Following the tour of the Kroc Center, CFMA members met for some food and refreshments at the Waialeale Country Club Restaurant.

Mahalo to Hawaiian Dredging for their time and generosity.

## *Brown Bag — Human Resources Update*

Jeffrey Harris, Director at Torkildson, Katz, Moore, Hetherington & Harris, was the featured speaker at our October 7<sup>th</sup> Brown Bag meeting held at GPC's Puuhale conference room. Jeff kept his presentation informal and encouraged all the participants to ask questions as they come up. One of the topics Jeff spoke about was on Project Labor Agreements (PLA). Did you know that the rail project is subject to a PLA? Apparently, the language in the PLA was negotiated between the City and the Unions, without the input from the General Contractors Association of Hawaii (GCA). Jeff went on to mention that Governor Abercrombie was considering the idea of having PLAs in local government contracts as well. There has been opposition toward PLAs due to the possible negative effects for non-union contractors entering into PLAs, as well as for local union contractors whose pool of skilled workers could be drained.

The new State sick leave law (Act 118) that went into effect in July of 2011 was also reviewed by Jeff. The law prohibits the termination or demotion of employees who use accrued and available sick leave

for three or more consecutive days without a physician's note. As this is a recently enacted law, there are many issues that need to be resolved (i.e., opinion rendered) before the full extent of the Act is known.

Lastly, Jeff spoke on Whistleblower claims – very scary stuff when you consider that the person making a whistleblower claim only had to have the intent to speak up about a wrong doing on a Federal protected class or contract. Jeff was gracious about leaving time at the end of his presentation to give everyone a chance to “ask a lawyer” about various human resource related topics.

Besides a handout on the above mentioned topics, Jeff passed out a copy of “The 2011-2012 Hawaii Camber Desk Manual, Labor and Employment Law for Hawaii Employers” to all in attendance. CFMA would like to thank Jeffery Harris taking time out from his schedule to share his expertise at this session, and to CFMA member Garrett Sullivan for helping to arrange the presentation.

“DID YOU KNOW  
THAT THE RAIL  
PROJECT IS  
SUBJECT TO A  
PROJECT LABOR  
AGREEMENT  
(PLA)?”





## *Cancer Research Center Tour*

THE UNIVERSITY OF HAWAII CANCER RESEARCH CENTER PROJECT CONSISTS OF TWO BUILDINGS TOTALING APPROXIMATELY 150,000 SQUARE FEET.



On November 17<sup>th</sup> Albert C. Kobayashi, Inc. hosted the CFMA Honolulu Chapter to a tour of their \$120 million University of Hawaii Cancer Research Center project. The Project Manager leading the tour was Miles Ikeda with help from the project's Safety Officer Mel Nishida. Located next to the University of Hawaii John A. Burns School of Medicine in Kakaako, the University of Hawaii Cancer Research Center project consists of two buildings totaling approximately 150,000 square feet. The project is expected to be completed in late 2012 for opening in early 2013. Upon completion, it will be one of only 60+ research organizations in the nation designated by the National Cancer Institute. Thank you ACK!

CFMA HONOLULU GANG IN FRONT OF THE HAWAII CANCER RESEARCH CENTER.



## *Basics of Construction Accounting Class*

On November 18<sup>th</sup>, 2011, Carl Williams and Bob Hatanaka of CW Associates, CPAs, taught a class on the “Basics of Construction Accounting.” Eighteen students attended the workshop held at Fort Shafter’s Hale Ikena and all evaluations were very positive. This year’s class was opened to members of ABC (Associated Builders and Contractors), NA-WIC (National Association of Women In Construction), and BIA (Building Industry Association) Hawaii. A big Mahalo to Carl and CW Associates, CPAs for another successful workshop.



## *Holiday Social*

TIS THE SEASON! CFMA Hawaii gathered recently to ring in the Holiday Season with a Holiday Pau Hana, White Elephant Gift Exchange, and YO! House Canned Food Drive. Pearl Ultralounge proved to be a worthy venue for our rambunctious bunch and everyone that attended enjoyed themselves immensely. Joyce Furukawa commented “the gift exchange was particularly enjoyable. I tried to be nice but everyone kept stealing my gift so I was forced to go on the offensive with certain individuals!” In other news, Nick is banned from ordering the food at future CFMA events because he ordered the cheese and crackers before the poke and upset a large portion of the hungry crowd. We are happy to report that our canned food drive was a major success! Thanks to the generosity of all the donors, we donated over 50lbs of canned goods, clothing, and other non-perishables to the YO! House in Waikiki and they were extremely grateful. Special thanks to those donors that went over and above the call for help and reached extremely deep into their pockets and closets! The Membership Committee thanks you for your participation and encourages all of you to make it a New Year’s Resolution to attend more CFMA Events in 2012!



“I TRIED TO BE NICE  
BUT EVERYONE  
KEPT STEALING MY  
GIFT...”

**CFMA HONOLULU HOLIDAY  
SOCIAL AT THE PEARL  
ULTRALOUNGE.**





**MAYOR PETER CARLISLE AT THE PACIFIC CLUB.**



Mayor Peter Carlisle and Garrett Sullivan were the feature speakers at the December 5, 2011 CFMA Seminar held at the Pacific Club. There were twenty eight members and seven guests present who took this opportunity to network during breakfast. The attendees were briefed on the current state of the City's rail project and learned about the concept of "ownership thinking" in the workplace.

oversee the planning, construction, and operation of the rail system. The Mayor strongly believes the rail project will play a critical role in re-energizing our City during the coming decades.

Garrett Sullivan, President and Founder of Sullivan Associates, Inc., a current CFMA member, informed us about the business concept of "Ownership Thinking". The Ownership Thinking model was developed in the early 1990's by Brad Hams and stresses the elimination of the "entitlement mentality" in the workplace and replaces it by empowering employees to think and act like owners. The four major components of Ownership Thinking are: The Right People, The Right Education, The Right Measures, and The Right Incentives. This program is intended to encompass all employees of the company, from office staff to field workers, non-union as well as union employees.

CFMA would like to thank the speakers for sharing their insight with our group as well as to all the members and guests who took the time to come out to this event.



**WES MIKUNI AND MAYOR PETER CARLISLE**

Mayor Carlisle spoke passionately about the City's rail project as it will be the vehicle to provide an alternate means of transportation to and from the west side of Oahu, it will inject millions of dollars into the local economy during its construction phase, and it will become the key in transforming the City (spurring development around the transit stations and creating opportunities for small business growth). As the rail system will be powered by electricity, it will spur the growth of alternative energy source generation (e.g., H-Power, the use of ocean temperature differentials, the use of methane gases in the landfill, etc.). The Mayor stated that there were two key events that oc-



**WES MIKUNI AND GARRETT SULLIVAN**

**The Construction Financial Management Association, Honolulu Chapter**

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