



'12 MAY -3 P2:52

STATE PROCUREMENT OFFICE EMERGENCY PROCUREMENT REQUEST

STATE PROCUREMENT OFFICE
STATE OF HAWAII

1. TO: Chief Procurement Officer

2. FROM: Engineering Division

Department/Division/Agency

Pursuant to §103D-307, HRS, and Subchapter 10, Chapter 3-122, HAR, the Department requests approval for the following:

3. Date 4/12/2012

4. After the fact YES NO

5. Nature of the Emergency
See Attached.

6. Vendor: Janod, Inc.
Address: P.O. Box 25248
Honolulu, HI 96825

7. Price:
(Proposal Attached)
\$31,003.03

8. Description of goods, services, or construction to be purchased
Demolition and removal of the boulders, described above, and all ancillary services required.

9. Reason for Vendor Selection
See Attached.

10. Direct questions to: Roger Masuoka

Phone: 587-0276

11. *I certify that the information provided above is to the best of my knowledge, true and correct.*

Department Head

5/2/12
Date

Reserved for SPO Use Only

12. Chief Procurement Officer's comments:

SEE CPO COMMENTS ATTACHED AS PAGE 5.

13.

APPROVED DISAPPROVED NO ACTION REQUIRED

Chief Procurement Officer

5/9/2012
Date

14. E.P.No. 12-046K

5. Nature of Emergency:

On April 12, 2012 boulders fell from a steep hillside in Kalihi Valley. Two (2) properties were substantially damaged while a third received minor damage.

AECOM Technical Services (AECOM), DLNR's consultant selected in accordance with 103D-304, conducted a site investigation on April 13, 2012. AECOM identified multiple boulders approximated 200 to 3000 pounds with the potential to fall on the hillside above Kula Kolea Place. These boulders were either part of boulders that fell on April 12th or became unstable as a result of the falling boulders. One boulder, approximately 1.5 tons, was being held up by a fallen tree. Another similar sized boulder was completely exposed and resting on sloped loose dirt material. AECOM recommended that these remaining boulders be either removed or stabilized to eliminate the potential hazard.

The boulders were located on private property. The owners of the property were financially unable to mitigate the situation. Therefore, it was decided that DLNR would carry out the remediation.

The DLNR Board, at an emergency meeting on April 20, 2012, approved the following items:

- Declaration that the removal of the boulders is exempt from Chapter 343, Environmental Impact Statements.
- Authorization to enter into an agreement with the private property owners, permitting DLNR to enter their properties.

Time was of the essence as the boulders presented an imminent danger of falling and causing serious harm. The removal of the boulders was deemed to be an emergency and the boulders were removed from the hillside on April 28, 2012.

See Attached Timeline of Events.

9. Reason for Vendor Selection:

Due to the need to mitigate the potential hazard as soon as possible and the difficulty of coordinating access and communication with the private property owners it was decided to work with one contractor in lieu of attempting to get quotes from multiple contractors.

Janod, Inc. was highly recommended by our consultant AECOM for this specialized boulder removal work. Janod has provided similar services for DLNR on other projects and have always produced excellent work. They are highly qualified and have the required expertise on this type of specialized work. But most importantly, they were readily available to meet and work with our team of experts.

TIMELINE OF EVENTS

KULA KOLEA PLACE ROCKFALL MITIGATION PROJECT

- April 12th, 2012 Multiple boulders fell from the Kalihi Valley hillside damaging at least three (3) homes below, along Kula Kolea Place.
- April 13th, 2012 DLNR hired geotechnical consultant, AECOM, to conduct a site investigation to locate the source of the boulders. It was determined that the boulders originated from a single source located on private property belonging to a church (Church of Christ of the Redeemed of the Lord) and Mr. & Mrs. Jacinto. During this site investigation, AECOM discovered other boulders with the potential to fall. Most of these boulders were part of the original boulder that fell on the 12th or were made unstable from the falling boulders.
- Since the boulders were located on private property, it was anticipated that the private property owner would handle the remediation. Unfortunately, the private property owners lacked the funds to carry out the remediation.
- April 17th, 2012 It was decided that DLNR would remove the identified boulders on the hillside above Kula Kolea Place. Since the work to be done will be within private property, a right-of-entry agreement would need to be executed prior to any work being done.
- April 18th, 2012 DLNR consulted with AECOM and determined that Janod, Inc. would be the best rockfall mitigation contractor for this job. DLNR made contact with Janod to discuss the situation and to schedule the work.
- DLNR obtained approval from private property owner to allow AECOM & Janod to conduct a site investigation of the boulders to formulate a remediation plan.
- April 20th, 2012 DLNR conducted an emergency board meeting to discuss and vote on the following items:
-Declare that this project is exempt from Chapter 343, Environmental Impact Statements.
-Authorization to enter into an agreement with the private property owners the Jacinto's and the Church.
- Both items were approved by the Board.
- April 25th, 2012 Agreements with the private property owners are fully executed.
- April 28th, 2012 Contractor removed all of the identified boulders.



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April 24, 2012

State of Hawaii
 DLNR, Engineering Division
 1151 Punchbowl Street, Room 221
 Honolulu, HI 96813

Attention: Roger Masuoka

RE: Kalihi Valley Emergency Rockfall – Kula Kolea Place

Bid Proposal # 2012-22

Janod Inc. is pleased to submit the following proposal for the removing the boulders from the hillside on Kula Kolea Place in Kalihi Valley. This work will be completed based on a Lump Sum Price.

Remove Boulders on Hillside	Lump Sum	\$29,210.00
	Hawaii State Tax	\$ 1,376.38
	Total	\$30,586.38
HPD Security at 1 site	1-9 hr Shift with 1 Officer	\$ 320.00
City of Honolulu Administration	1-9 hr Shift with 1 Officer	\$ 26.00
Janod Administrative Fee	15%	\$ 51.90
	Hawaii State Tax	\$ 18.75
	Total	\$ 416.65

Provided By Others:

- Evacuation of the residents in the homes below the area (one day-Saturday, from 7AM-4PM)

Sincerely,

Pierre Rousseau
Hawaii Operations Manager

Please note that there will be a surcharge on all items for all applicable taxes imposed in Hawaii. Payment Terms: NET 15 days. Amounts Outstanding after 30 days are subject to a maximum applicable interest charge in accordance with state laws where the contract is performed. All applicable taxes are not included in the above proposal and are the responsibility of the client.

All permits and/or easements for the project are the responsibility of the client.

Due to the instability of steel prices, any increase after the date of this proposal will be charged accordingly.

In the event of this Proposal not being accepted until after the date shown below, Janod reserves the right to review the Bid Prices and any other conditions as outlined in this Proposal.

This Bid Proposal supersedes all previous Bid Proposals and is subject to acceptance at Company's Office at the address shown above and expire 15 days:

Accepted on _____ 20 _____

Signature _____

Accepted
 JANOD

Print Name _____

By _____

CPO COMMENTS:

On the previous Rock Fall Mitigation Project, EP No. 12-018B, the CPO comments instructed the department to "invite all prospective contractors to site visitations and allow open competition, as appropriate . . . department shall provide justification if it is unable to obtain competitive price quotations".

As justification for not obtaining competitive price quotations, the department states in no. 9: "Due to the need to mitigate the potential hazard as soon as possible . . ." is insufficient justification. On April 13, 2012 the consultant determined the instability of other boulders, but site visitation by the contractor did not occur until April 18, 2012, 5 days later. Also mentioned is "the difficulty of coordinating access and communication with the private property owners . . ." but no explanation as to why or how this would be justification as we understand that the private owners were cooperative and assisted the State to address the situation and as mentioned above, from the date of the consultant's assessment to the site inspection by contractor it was 5 days later, which is ample time to contact the other three known qualified contractors.

The department failed to comply with the above CPO requirements in obtaining multiple price quotations. The SPO is not questioning the validity of the emergency situation or the qualification of the vendor, but rather the justification for the vendor selected. By not obtaining any price quotations, the department is unable to substantiate the price quoted by contractor is fair and reasonable. The property being privately owned has little to do in scheduling a site inspection and the other three known qualified contractors should have been invited to the site for the inspection on April 18, 2012. The SPO believes it was reasonable and appropriate for the department to obtain multiple price quotations and that it would not jeopardize the date for the removal of boulders on April 28, 2012 as evidenced by the time lapse between the initial rock fall assessment on April 13, 2012, the contractor's price quotation dated April 24, 2012 and the actual date of removal, was reasonable, fair and easily achievable.

As this is a procurement violation, department shall submit form SPO-016 and explain why the department was not compliant.

If there are any questions, please contact Kevin Takaesu at 586-0568, or kevin.s.takaesu@hawaii.gov.