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STATE PROCUREMENT OFFICE  
STATE OF HAWAII

### STATE PROCUREMENT OFFICE NOTICE OF AND REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

- 1. TO: Chief Procurement Officer
- 2. FROM: Russ K. Saito, Comptroller, Dept. of Accounting & Gen. Svcs.

Department/Division/Agency

Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

3. Description of goods, services or construction:

This request for exemption from Chapter 103D, HRS is for construction services to reroof the Hawaii Community Correctional Center's (HCCC) Punahale Building via a change order to an existing air conditioning system improvements construction contract with Stan's Contracting, Inc. (SCI). The existing air conditioning system improvements construction contract with SCI (which includes incidental roof work for roof mounted air conditioning piping) was executed in January 2010 in the amount of \$733,700.

4. Name of Vendor: Stan's Contracting Inc.

Address: 77 Silva Street  
Hilo, HI 96720

5. Price:

\$300,000

6. Term of Contract:

*dlk*  
From: ~~January 2011~~ *CPO approval*  
*December*  
To: ~~June 2011~~ *dlk*

7. Prior Exemption Ref. No.

8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:  
(See Attachment 1)

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

A vendor selection will not be conducted for the proposed change order to reroof the HCCC Punahale Building. Instead, a contract change order for the reroof construction services will be issued to SCI (the contractor for the existing air conditioning system improvements construction contract at the HCCC Punahale Building). As noted above, DAGS feels this is the most practicable and advantageous means for the State to execute the HCCC Punahale Building reroof work in a timely manner.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:

The HCCC Punahale Building reroof work will be administered by DAGS as a change order to the existing construction contract with SCI. Prior to issuing the change order to SCI, DAGS' Project Management Branch will process the approval of a contract Authorization for Change from the DAGS Public Works Administrator for the reroof work. Upon approval of the Authorization for Change, DAGS' Hawaii District Office will administer and oversee the reroof change order construction work.

**REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)**

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:		
Name	Position	Involvement in Process
Tyler Fujiyama	DAGS Project Coordinator	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Mark Yamabe	Section Head	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Eric Nishimoto	Branch Chief	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Ernest Lau	Public Works Administrator	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Jerry Watanabe	Hawaii District Architect	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: DAGS Contact Name: Tyler Fujiyama Phone Number: 586-0463 Fax Number: 586-0530
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Agency shall ensure adherence to applicable administrative and statutory requirements

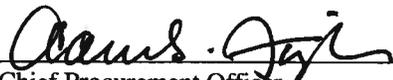
14. *I certify that the information provided above is, to the best of my knowledge, true and correct.*

  
 \_\_\_\_\_  
 Department Head

11/24/10  
 \_\_\_\_\_  
 Date

Reserved for SPO Use Only	
15. Date Notice Posted	11-24-10
The Chief Procurement Officer is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to: <p align="center">                     Chief Procurement Officer                      State Procurement Office                      P.O. Box 119                      Honolulu, Hawaii 96810-0119                 </p>	
Chief Procurement Officer's comments: <p align="center">                     The department has determined that it would be in the State's best interest to complete the re-roofing services in conjunction with the air conditioning project with the contractor on site to avoid duplication of work and utilize funds available for the air-conditioning and roofing work. This approval is granted with the requirement that the re-roofing will be performed by a licensed roofing sub-contractor that is the responsive, responsible bidder offering the lowest price in response to a public notice placed in the Hawaii Tribune Herald and Honolulu Star Advertiser for at least 10 calendar days disclosing the requirements, specifications, terms and conditions. This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112, shall apply to the contract with Stan's Contracting Inc. and the licensed roofing subcontractor.                 </p>	

16.  APPROVED     DISAPPROVED     NO ACTION REQUIRED

  
 \_\_\_\_\_  
 Chief Procurement Officer                      Date

**STATE PROCUREMENT OFFICE  
NOTICE OF AND REQUEST FOR EXEMPTION  
FROM CHAPTER 103D, HRS  
ATTACHMENT 1**

8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

On June 1, 2010, the DLIR-HIOSH notified the PSD that a complaint was filed against the HCCC due to unacceptable working conditions caused by the Punahale Building's leaking roof. A subsequent roof moisture scan revealed that approximately 40% of the existing roof material is moderately to highly saturated with water. Although one option is to initiate and competitively bid a new reroof project, this would not be practicable or advantageous to the State since:

1. There is the aforementioned air conditioning systems improvements construction project already occurring at the HCCC Punahale Building. The air conditioning improvements contract includes incidental roof patching work where the new air conditioning chilled water piping is to be mounted to the existing roof. Now that the water saturated condition of the existing roof is known through the moisture scan, it would not be advantageous or practicable for the State to complete the air conditioning chilled water piping work on the roof without addressing the major roof concerns. Ideally the proposed reroof of the Punahale Building should be addressed in conjunction with (instead of separately afterwards) the new chilled water piping work to avoid having to redo any roof work where the chilled water pipes mount to the roof surface.
2. The PSD has construction funds available that can supplement only certain previously initiated projects (such as the Punahale Building air conditioning improvements project).
3. The time needed to obtain new funding & initiate/bid out a new reroof project will delay the reroof work by at least a half year or so which may result in further complaints filed against the HCCC/PSD. Temporary patching of the roof also is not a practicable option due to the existing saturated condition of the roof.