



'11 MAY -3 P3:03

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

1. TO: Chief Procurement Officer
2. FROM: Dept of Agriculture, Agribusiness Development Corporation

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:

The project is located within the Kekaha Agricultural Lands (KAL) under the management of the Agribusiness Development Corporation. The desired work requires removal of out-of-service utility poles and electrical lines located in close proximity to residential areas. The lines had been connected to the ADC-controlled power grid, but are now dead and pose a safety and health risk due to deteriorating poles which could break and fall into residential structures.

4. Name of Vendor: Kekaha Agriculture Association
Address: P.O. Box 940
Waimea, Hawaii 96796

5. Price:
\$10,000.00

6. Term of Contract: From: 5/10/2011 To: 7/31/2011

7. Prior Exemption Ref. No.
0

8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State: The Kekaha Agriculture Association (KAA) is a cooperative comprised of ADC KAL land tenants. KAA currently has a contractual agreement with the ADC for the maintenance of the common area of the KAL. The project area in question happens to fall just outside of the defined common area. However, KAA already has a contractor in place who is familiar with with the exact locations of the out-of-service poles and has the necessary equipment and manpower to do the job. The current common area maintenance contractor agreement can be leveraged to complete this work. As such, KAA is able to do this work at a much lower cost than an outside vendor. In addition, the work requires receiving approval and cooperation of several residential owners to enter their property in order to gain access for pole removal, which could prove problematic with a vendor unfamiliar with the neighborhood.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
ADC received a verbal estimate for the job from KAA which indicated a much lower (by more than 50%) cost as compared to a previous verbal estimate given by Lord's Electric, which was \$22,000.00

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
The exempted procurement must be initially reviewed and by the ADC Administrative Services Officer then given final approval by the Executive Director, who is the delegated Procurement Officer for ADC.

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
Alfredo A. Lee	Executive Director	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Lynn Owan	Administrative Svcs Officer	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Matthew Rose	Project Coordinator	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: Agribusiness Development Corp Contact Name: Matthew Rose Phone Number: 808-586-0181 Fax Number: 808-586-0189
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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.*

Runees. Koh

5/2/11

Department Head

Date

Reserved for SPO Use Only

15. Date Notice Posted 5-3-11

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:

Chief Procurement Officer
 State Procurement Office
 P.O. Box 119
 Honolulu, Hawaii 96810-0119

Chief Procurement Officer's comments:

This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112, shall apply and award is required to be posted on the Awards Reporting System.

16.

APPROVED DISAPPROVED NO ACTION REQUIRED

David Taylor *6/15/2011*
 Chief Procurement Officer Date