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

STATE PROCUREMENT OFFICE
STATE OF HAWAII

- 1. TO: Chief Procurement Officer
- 2. FROM: TRANSPORTATION/AIRPORTS/OAHU DISTRICT

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: Trex FOD Finder maintenance agreement.	
4. Name of Vendor: Trex Aviation Systems Corporation Address: 733 Bishop St. Suite 1717 Honolulu, Hawaii 96813	5. Price: \$210,000
6. Term of Contract: From: 08/01/11 To: 08/01/16	7. Prior Exemption Ref. No.
8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State: Existing Trex Foreign Object and Debris (FOD) finder was provided to HNL as a demo unit. Trex currently is the only vendor that provides mobile fod finder devices. In-ground based systems may cost up to millions of dollars and take months to install. Airports did not purchase this system, but to keep it, must enter into an annual maintenance agreement at a cost of \$3500 each month. Contract as written is for 10 calendar years, but vendor has indicated that it can be changed to a lesser reasonable amount (we chose 5.) Please see attached lease agreement, picture of system, and the Airport Safety Technology R&D brochure dated 07/08/2010 and FAA Advisory circular no. 150/5220-24.	
9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: System is one of a kind. Only the manufacturer can provide maintenance and calibration for the hardware and software portions of the system. When enhancements/add-ons to the system become available during this period, additional requests and documentation will be provided to allow permission to proceed w/ acquisition if additional funds are required.	
10. A description of the agency's internal controls and approval requirements for the exempted procurement: Prior to approval to repair or acquire new accessories for this item, request will be made to C. Murphy to verify whether item is covered within agreement or not. If request is not contained w/in the attached maintenance agreement, subsequent approvals via SPO-07 and/or staff studies will be performed to obtain upper management approvals. Funds exceeding that stated above shall be requested for approval from upper management for non-routine or unforeseen issues.	

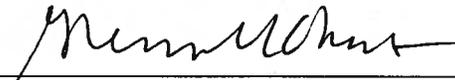
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

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
Christopher Murphy	Business Services Supervisor II	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Sidney Hayakawa	Administrative Office	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Ford Fuchigami	Deputy-Airports	<input checked="" type="checkbox"/> Approval <input 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: Transportation/Airports/Oahu D Contact Name: Christopher Murphy Phone Number: 808-836-6487 Fax Number: 808-836-6682
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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

JUL 08 2011

 Date

Reserved for SPO Use Only

15. Date Notice Posted 7/15/11

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:

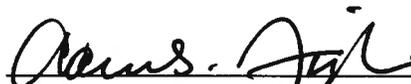
Chief Procurement Officer
 State Procurement Office
 P.O. Box 119
 Honolulu, Hawaii 96810-0119

Chief Procurement Officer's comments:

Request is disapproved as department should have issued a solicitation to select the equipment provider and maintenance agreement. The department shall submit as a procurement violation (SPO-016) explaining in detail what occurred and why the department did not comply with the procurement code.

If the department would like to continue services, detailed information should be submitted in the procurement violation on department's future plans for approval.

16. APPROVED DISAPPROVED NO ACTION REQUIRED



 Chief Procurement Officer Date 7/28/2011