



11 JUL 27 A9 51 STATE PROCUREMENT OFFICE
 NOTICE OF REQUEST FOR EXEMPTION
 FROM HRS CHAPTER 103D

STATE PROCUREMENT OFFICE
 STATE OF HAWAII

TO: Chief Procurement Officer
 FROM: DHS/HPHA/Contract and Procurement Office
 Name of Requesting Department
 SUBJECT: Request for Exemption

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

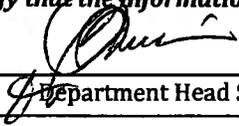
1. Describe the goods, services or construction. Furnish electric refrigerators for various State and Federal public housing complexes statewide.	
2. Vendor/Contractor's Name : Sears, Roebuck, and Co.	3. Amount of Request: \$ 824,061.00
4. Term of Contract: From: 7/1/2011 To: 7/27/2011 OR 6/30/2012	5. Prior Exemption Reference No.:
6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means: In September 2010, the Hawaii Public Housing Authority (HPHA) issued a competitive sealed invitation-for-bids (IFB) to furnish electric refrigerators for various State and Federal low income public housing complexes statewide. The IFB included two 12-month options to extend at the sole discretion of the HPHA. The HPHA intended to execute a supplemental contract with Sears, Roebuck and Co. to extend services for an additional 12-month period from 7/1/11 to 6/30/12 at the pre-priced option rate. It would not be practicable or advantageous for the HPHA to re-procure for the aforementioned services that may result in a higher price when the HPHA intended to exercise the 12-month option. Please note that the HPHA's Contract and Procurement Office consists of 3 contract specialist and a procurement officer. The current staffing includes only Mr. Sogawa who has been overseeing the office and conducting all solicitations and contracts over the small purchase threshold since July 2010. Mr. Sogawa was working on four Invitation-for-Bids that included 7 contracts with a 7/1/11 start date. Mr. Sogawa had worked on the supplemental contract to extend services provided by Sears, Roebuck and Co. but recently discovered that it was not sent to Sears, Roebuck and Co. for execution. There have been several attempts to fill the vacancies with no success.	
7. In selecting the vendor/contractor, explain in detail, the process the department will utilize to maximize fair and open competition: Sears, Roebuck and Co. was selected in response to a competitive sealed bid process that was conducted September 2010. No other contract terms or requirements shall be waived. Sears, Roebuck and Co. shall be required to comply with the requirements of certification with the Dept. of Commerce and Consumer Affairs, Dept. of Labor and Industrial Relations, and the State and Federal Tax Offices.	

8. Identify the primary individual(s) who is knowledgeable about this request, who will conduct and manage this process and has completed mandatory training. (Type over "example" and delete cells not used)

Name of Department Personnel	Division/Agency	Phone Number	e-mail address
Rick Sogawa	DHS/HPHA	832-6038	rick.t.sogawa@hawaii.gov

9. The department shall ensure adherence to applicable administrative and statutory requirements, and all requirements, approvals, and internal controls for this request are the responsibility of the department.

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



JUL 20 2011

Department Head Signature

Date

Reserved for CPO Use Only

Date Notice Posted

7/27/2011

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

The exemption is granted as this was a technical oversight on the part of DHS/HPHA that the supplemental agreement to exercise the option to extend the term of the contract was not executed prior to contract expiration. The vendor had expected and was waiting for the supplemental agreement to extend the term of the contract. This approval is for the period July 27, 2011 to June 30, 2012 and for the solicitation process only. Vendor shall comply with all terms and conditions of the solicitation. 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. If any purchases were made between 07/01/11 and 07/26/11 from vendor, department is required to submit form SPO-016, Procurement Violation.

Approved Disapproved No Action Required



8/9/2011

Chief Procurement Officer Signature

Date