

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

'11 NOV 22 P4:16

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer
FROM: DAGS, Division of Public Works
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:

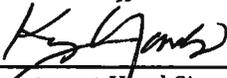
1. Describe the goods, services or construction. See attached previously approved SPO Form 7's, P.E. Nos. 08-102-J and 07-006-C. A contract was executed on June 9, 2008 in the amount of \$1,034,329 to fabricate and supply equipment; the price was based on the State giving a notice to proceed by December 30, 2008. A price of \$297,340 for delivery and installation was not included due in insufficient appropriated funds at that time, and would be added in a contract modification/amendment when an additional appropriation that was expected to become available on July 2009. A notice to proceed was never issued, and additional funds were not appropriated until July 2010. A contract modification/amendment is proposed to now include delivery and installation, and for cost escalations. Revised prices: \$1,221,111 to fabricate and supply equipment, and \$344,813 for delivery and installation. To allow unforeseen conditions, an contingency amount \$110,000 will also be budgeted.	
2. Vendor/Contractor Name : Alloy Hardfacing and Engineering Co., Inc.	3. Amount of Request: ↑ \$ 1,700,000 (estimated) \$1,384,329 ^{dk} 12-15
4. Term of Contract: From: upon CPO approval To: December 2014	5. Prior Exemption Reference No.: 08-102-J and 07-006-C
6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means: See attached previously approved SPO Form 7, P.E. No. 07-006-C. The contractor/vendor's revised price has been reviewed, and overall increase of about 18% over 3 years (or 6% per year) appears acceptable.	
7. In selecting the vendor/contractor, explain in detail, the process the department will utilize to maximize fair and open competition: See attached previously approved SPO From 7, P.E. No. 07-006-C.	

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
Daniel Jandoc, Gina Ichiyama	DAGS	586-0476, 586-0472	daniel.jandoc@hawaii.gov, gina.e.ichiyama@hawaii.gov
Glenn Okamoto, Brian Kau	DOAgr	973-1123, 973-9473	glenn.m.okamot@hawaii.gov, brian.k.kau@hawaii.gov
Eric Nishimoto	DAGS	586-0460	eric.k.nishimoto@hawaii.gov
Ernest Y.W. Lau	DAGS	586-0528	ErnestLau@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.



 Department Head Signature

11/18/11

 Date

For Chief Procurement Officer Use Only

Date Notice Posted 11-23-11

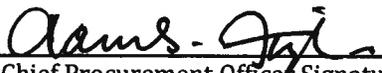
Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from date notice posted to:

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

10. Chief Procurement Officer (CPO) Comments:

Approval is granted with the understanding that the scope of work remains the same as approved in PE 07-006-C and PE 08-102-J and that the department entered into contract with the vendor that was selected through the process approved in PE 07-006-D. ^{C date 12-20-11} This request is to amend the price due to the time that has lapsed since the original price was provided by the Contractor in 2008 and additional monies made available for the equipment. The department is required to conduct cost or pricing data pursuant to HAR 3-122-123(2) for the price adjustment to the contract.

Approved Disapproved No Action Required

 12/20/2011

 Chief Procurement Officer Signature Date