



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

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STATE PROCUREMENT OFFICE  
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: DBEDT/Natural Energy Laboratory of Hawaii Authority  
Name of Requesting Department

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:  
Professional appraisal and arbitration services for Destiny Deep Sea Water LLC (tenant) facility at NELHA. Services include: 1) reviewing tenant appraisal report submitted in response to NELHA's initial appraisal report generated by ACM Consultants in September 2010, 2) working with tenant's appraiser to resolve differences between the two appraisals, 3) appointing a third appraiser to determine final fair market value rate at reopening and 4) participating in the arbitration process to determine binding and final market value rental fee.

2. Vendor/Contractor/Service Provider:	ACM Consultants Inc.	3. Amount of Request:
		\$ 11,000.00
4. Term of Contract From:	<del>8/1/2012</del> 9/15/12	To: <del>2/1/2013</del> 4/15/13
5. Prior SPO-007, Procurement Exemption (PE): N/A <i>via per email + phone</i>		

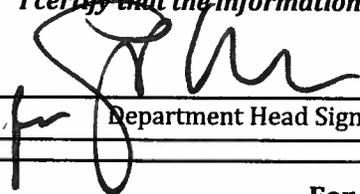
6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:  
ACM Consultants Inc. (ACM) was contracted to perform the initial appraisal for Destiny Deep Sea Water LLC (tenant) in 2010. Tenant experienced delays in conducting its appraisal in response to the vendor appraisal; tenant's appraisal was submitted to NELHA in April 2012 after NELHA's contract with ACM expired October 2011. Pursuant to the sublease clause, NELHA must use the same appraiser during the arbitration process. Furthermore, the vendor is familiar with the subject-matter, having done the initial appraisal.

7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:  
Vendor was selected to conduct the initial appraisal via competitive method (HePS). The proposed vendor rate for the arbitration is determined to be fair compared to previous projects similar in nature and scope.

8. Identify the primary individual(s) who is knowledgeable about this request, who will conduct and manage this process, and has 1) completed mandatory training; and 2) who may contact for follow up inquiry, if any.  
 (Type over "example" and delete cells not used.)

Name of Department Personnel	Division/Agency	Phone Number	e-mail address
Laurence Sombardier	DBEDT/NELHA	808-327-9585 X244	

*All requirements/approvals and internal controls for this expenditure is 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

Date

7/25/12

**For Chief Procurement Officer Use Only**

Date Notice Posted:

8/6/12

Submit written objection to this notice to issue an exempt contract within seven calendar days or as otherwise allowed from date notice posted to:

[state.procurement.office@hawaii.gov](mailto:state.procurement.office@hawaii.gov)

Chief Procurement Officer (CPO) Comments:

Approval is granted for the period 09/15/12 to 04/15/13. This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112, shall apply (i.e. vendor is required to be compliant on the Hawaii Compliance Express) and award is required to be posted on the Awards Reporting System.

If there are any questions, please contact Kevin Takaesu at 586-0568, or [kevin.s.takaesu@hawaii.gov](mailto:kevin.s.takaesu@hawaii.gov).

Approved

Disapproved

No Action Required



Chief Procurement Officer Signature

8/23/2012  
Date