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STATE OF HAWAII  
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: Chief Procurement Officer

STATE PROCUREMENT OFFICE  
STATE OF HAWAII

FROM: Department of Human Services (DHS), Housing and Community Development Corporation of Hawaii  
(Department/Division/Agency) (HCDCH)

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

Description of goods, services, or construction:  
  
This exemption is requested to purchase appliances for federally/state-funded public housing units managed by the Housing and Community Development Corporation of Hawaii (HCDCH). Household appliances include refrigerators, gas and electric ranges, and any other large appliances that HCDCH will need in the next six (6) months while bid specifications are being developed for a new appliance contract.

Name of Vendor: Address:	Various Vendors	Cost: \$100,000.00
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Term of Contract:	From: <del>01/15/05</del> Upon CPO Approval	To: <del>07/15/05</del> May 31, 2005	Prior Exemption Ref. No. (if applicable)
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Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:  
  
The long-term contract with Pacific Appliance expired on December 31, 2004. HCDCH requested an extension from the U.S. Dept. of HUD, but the extension was denied in December 2004.  
  
Before December 31, 2004, approximately 30 purchase orders were submitted to Pacific Appliance in order to meet the high demand for household appliances. However, in the next six months, while new specifications are developed and bid by HCDCH, additional appliances will be needed. By allowing this exemption, HCDCH can fulfill its mission and mandate to provide safe, clean, and decent housing for its less fortunate citizens.

Details of the process or procedure to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:  
  
Procurement will comply with Subsection 103D-305, HRS and HAR 3-122, Subchapter 8. Therefore, approval is requested to increase the purchase ceiling for the next six months to \$100,000.00 in order to buy appliances to replace the aging inventory of appliances.  
  
HCDCH also has applied for and received an exemption (PE 05-40-C) on December 2, 2004, due to a partnership with DAGS in order to comply with HUD mandates of unit turnarounds and vacant housing units.

A description of the agency's internal controls and approval requirements for the exempted procurement:

A special task force was formed in conjunction with DAGS, HCDCH's ASO office, the Purchasing office of HCDCH, and the proposed Procurement Office of HCDCH, in order to coordinate appliances for housing units for the next six months while a new bid specification is written.

The same internal controls will be utilized as specified by DAGS administrative rules regarding inventory, disposal of items, and procurement.

A list of agency personnel, by position title, who will be involved in the approval process and administration of the contract:

Pamela Y. Dodson, Executive Assistant  
Kevin Funasaki, Capital Fund Coordinator  
Gary Ito, Purchasing

(See Attachment - Supplemental Contract #2 with Pacific Appliance)

Direct questions to:

Robert S.N. Young

Phone Number:

587-0597

This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR: Yes  No

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS, TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT.

*Stephanie Aweis* 1/13/05

Department Head or Designee

Date

Executive Director

Title (If other than Department Head)

Chief Procurement Officer's Comments:

This approval is to allow HCDCH to purchase appliances to replace inoperable appliances in housing units up to May 31, 2005. This approval is also for the solicitation process only, Chapter 103D-310, HRS, shall apply.

Please ensure adherence to applicable administrative requirements.

APPROVED

DISAPPROVED

Chief Procurement Officer

1/26/05

Date

cc: Administrator,  
State Procurement Office

# STATE OF HAWAII NOTICE OF EXEMPTION FROM CHAPTER 103D, HRS

The Chief Procurement Officer is in the process of reviewing the request from the Department of Human Services-HCDCH for exemption from Chapter 103D, HRS, for the following goods, services, or construction:

To purchase various appliances (refrigerators, gas and electric ranges, etc.) for a six-month period until a new contract is executed

**Vendor:** Various

**Address:**

<b>Term of Contract:</b>	From: Upon CPO Approval	To: 7/15/2005	<b>Cost:</b> TBD
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<p><b>Direct any inquiries to:</b></p> <p>Department: Department of Human Services HCDCH</p> <p>Contact Name/Title: Robert S.N. Young</p> <p>Address:</p>	<p><b>Phone Number:</b> (808) 587-0597</p> <p><b>Fax Number:</b></p>
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Date Posted: 1/19/05

A copy of this notice of exemption from Chapter 103D, HRS, shall be posted by the Chief Procurement Officer and the purchasing agency in an area accessible to the public, at least seven (7) calendar days prior to any approval action.

Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven (7) calendar days from the date posted to:

Chief Procurement Officer  
Office/Agency \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_