



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

**Received by
State Procurement Office
10/07/2016**

TO: Chief Procurement Officer

FROM: State Laboratories Division, Department of Health
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:

Two Laboratory Protection Systems (LPS) to provide power protection and backup for two (2) units of ABI 7500 FAST Dx Real Time PCR systems, Two (2) Laboratory Protection Systems (LPS) to provide power protection and backup for One (1) unit of ABI QuantStudio Dx 8th generation Real Time PCR systems, One (1) Laboratory Protection System (LPS) to provide power protection and backup for an Illumina Miseq Next Generation Sequencing platform, one LPS to provide power protection to a Roche MagNaPure Compact Automated Nucleic Acid Extraction System, and One (1) Laboratory Protection System (LPS) to provide power protection and backup for a PerkinElmer Victor X Series Time-Resolved Fluorescence Plate Reader. Total LPS needed= six (6) units with 2 years warranty on parts and labor.

2. Vendor/Contractor/Service Provider: Franek Technologies, Inc., 15141 Woodlawn Avenue, Tustin, CA. 92780	3. Amount of Request: \$ 16,000.00
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4. Term of Contract From: 9/19/2016 To: 9/20/2016 10/7/16 10/6/2016	5. Prior SPO-007, Procurement Exemption (PE): 07-157-J
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6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:

Modern generations of instruments like those described in Section 1, are very sensitive and expensive instruments engineered with complex electro-opto-mechanical devices that need to be protected from deficiencies in the electrical power distribution grid. Franek LPS products are tested, certified, and recommended by these instrument manufactures for use in protecting these laboratory instruments. **The accreditation of SLD to meet ISO /IEC 17025:2005 requirement to test for Salmonella sp, Listeria monocytogenes and E.coli O157:H7 requires that instruments used to test for these bacteria must have a fail-safe system to ensure that results are accurate and reliable.** Failure to install LPS systems designed specifically for our industry may result in damage to these very critical and sensitive laboratory instruments when interruption or fluctuation in our power grid inevitably occurs. The cost to the State should this happen could be as high as \$750,000.00 to replace the instruments, and critical laboratory testing for Influenza, Bioterrorism agents, Zika virus, Dengue virus, Chikungunya virus, along with other microbial threat agents will not be conducted.

7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:

Franek Technologies was the only system that we have found to have met our criteria for an uninterruptible battery backup power source for instrumentation support. For the work that we do, diagnosis and treatment of patients depend on the accuracy of results and reliability of our instrument to perform with accuracy and specificity. That is how we select our instrumentation and that is why we spend thousands of dollars to maintain service contracts for our delicate and sensitive instrumentations. Therefore, when we select peripheral accessories including back-up power sources, we prefer Franek LPSs. When we run assays for Zika response or to rule-out anthrax or Brucella from a patient or when we test for a highly contagious virus like measles, we rely on instruments that will perform as expected, uninterrupted, especially when we have to run overnight for Polymerase Chain Reaction Assays or up to 48 hours for sequencing Salmonella, Listeria or E. coli O157. We cannot afford to lose data even for a milli-second while the instrument is running and we cannot afford to have the complex electro-opto-mechanical devices to fail when deficiencies in the electrical distribution grid occurs. It costs us anywhere between \$8800 to \$15,000 to maintain service contracts for each instrument because we want to ensure that they are calibrated properly and their performance characteristic is maintained. Thus, when a power outage occurs, we expect our instruments to be 100% online, uninterrupted.

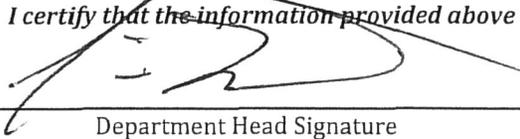
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8. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required).

*Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Agency	Phone Number	e-mail address
Rebecca Sciulli	SLD	453-5993	rebecca.sciulli@doh.hawaii.gov

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

OCT - 7 2016

Date

For Chief Procurement Officer Use Only

Date Notice Posted:

10/7/16

Inquiries about this request shall be directed to the contact named in No. 8. 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

Chief Procurement Officer (CPO) Comments:

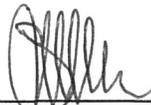
Approval is granted for the period from 10/7/2016 to 10/6/2017 and is based on the understanding that the laboratory protection systems will be procured directly from Franek Technologies, Inc. This is due to DOH's statement that this vendor's products help to maintain accreditation. This approval is for the solicitation process only, HRS Section 103D-310(c) and HAR Section 3-122-112 shall apply (i.e. vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) and the award is required to be posted on the Awards Reporting System. Copies of the compliance and the awards posting are required to be documented in the procurement/contract file.

If there are any questions, please contact Kevin Takaesu at 586-0568 or via email at kevin.s.takaesu@hawaii.gov.

Approved

Disapproved

No Action Required



Chief Procurement Officer Signature

10/19/16

Date