

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

05 JUN 18 2005

TO: Chief Procurement Officer

STATE PROCUREMENT OFFICE
STATE OF HAWAII

FROM: Health/Adult Mental Health/Hawaii State Hospital (HSH)
(Department/Division/Agency)

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

<p>Description of goods, services, or construction:</p> <p>Frozen foods, such as beef, pork, turkey, chicken, processed meats, cured and canned meat for the patients' meals.</p>

Name of Vendor: U. Okada & Co. Ltd., Palama Meats Co. LLC., Swift & Company, King Food Service, HFM Food Service, Y. Hata and Co., Ltd. Hansen Sales	Cost: + \$25,000.00
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Term of Contract: From: 07/01/05 To: 06/30/06	Prior Exemption Ref. No. (if applicable) 04-55-M
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Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

HSH functions very differently from schools, and prisons. All patients have a diet ordered by their physician. New patients are admitted daily with new diet orders. Patient's diet orders also change during their hospital stay. Dietary Services Dept (DSD) prepares many special diets, such as low fat, pureed, vegetarian, low-salt, renal, diabetic, etc. It is impossible for DSD to forecast a six-month quantity for each item due to the daily changes in the patient census and physician ordered diets. DSD is often forced to accept too much of one item than not enough of another item of food in order to not waste food. DSD is then forced to change the menu resulting in not meeting the patients' nutritional needs according to the physician ordered diet. In addition, incentive snacks and special activities such as picnics and cookouts are ordered by the physician as part of the treatment plan. These treatment plans are constantly being revised according to the patient's progress, therefore 6 month advance planning is not feasible.

Details of the process or procedure to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

DSD would like to select several vendors and have a continuous requisition the same way that produce purchases are being procured. Vendors will fax monthly price lists, we will select the best prices. DSD believes that this will ensure maximum fairness to the vendors and competitive prices. This method will enable DSD to purchase exactly what quantities is needed without waste and result in patients receiving the appropriate diet. In addition, HSH will have a savings through competitive pricing.

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

The monthly price lists will be kept on file for one year. Purchase orders are generated by the DSD and then processed and approved by the Business Office and Administration at HSH. Purchase orders are then sent to ASO and DAGS.

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

Nena Harrington, R. D.	Dietitian V
Brian Watanabe	IFSM III
Joseph Buxton	Cook IV
Anthony Fraiola	Accountant III
Elnora Guieb	Business Manager
William Elliott	Associate Administrator

Direct questions to:
Nena Harrington, R.D. nlharring@hsh.health.state.hi.us

Phone Number:
236-8284

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

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

Chryone J. Fukino, MD JUN - 6 2005

 Department Head or Designee Date

Title (If other than Department Head)

Chief Procurement Officer's Comments:

This request is approved with the condition that the Hawaii State Hospital place a legal notice on the State's Public Notice Website to inform vendors of their current procurement process that is utilized to purchase frozen foods.

This approval is for the solicitation process only, chapter 103D-310, HRS, shall apply/

Please ensure adherence to applicable administrative requirements.

APPROVED

DISAPPROVED

[Signature]

 Chief Procurement Officer

6/24/05

 Date

cc: Administrator,
State Procurement Office