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

TO: Chief Procurement Officer

FROM: HEALTH / ADULT MENTAL HEALTH / HAWAII STATE HOSPITAL  
(Department/Division/Agency)

Pursuant to § 103D-102(b)(5), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

Description of goods, services, or construction:

Material and labor to provide and install the following:

1. One (1) 24' x 60' mobile office, complete with restroom and two (2) offices. It also includes delivery to the Hawaii State Hospital (HSH) site, block and level/seam and seal, anchor tie-downs (36 to be installed) and two (2) aluminum stairs.
2. One (1) 24' x 40' modular classroom, including delivery to the HSH site, block and level/seam and seal, anchor tie downs (32 to be installed) and one (1) aluminum stair.

Name of Vendor: Hawaii Modular Space Address: 91-282 Kalaeloa Boulevard Kapolei, HI 96707	Cost:  \$210,000.00
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Term of Contract: From: 12/15/05 To: 04/15/06	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:

HSH is mandated and under pressure to address immediately the overcrowding of patients at the hospital. While there are three (3) potential vendors that we contacted, only one vendor is serious and has the ability to provide and install the modular space with the timeframe we are looking for. Since competitive bidding will only prolong the procurement process, HSH has no choice but to buy additional bed days from Kahi Mohala at an estimated rate of \$900 per patient per bed day. Based on our solicitation and discussions with potential vendors, we believe that competitive bidding is not practical and advantageous for the State.

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

HSH has already contacted three (3) potential vendors. Only one is serious and has the ability to provide the modular space with the timeframe we set. The other two vendors did not submit a quotation, nor responded to our inquiry.

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

The Plant Operations Manager contacted and solicited written quotations from prospective vendors. Quotations received are forwarded to the Business Office for further review and evaluation, after which the solicitation is sent to the Acting HSH Administrator for final approval. If approved, a purchase order is processed and sent to the Adult Mental Health Division (AMHD) and Administrative Services Office (ASO) for approval to encumber funds.

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

Plant Operations Manager – Robin L. Denton  
Business Manager - Elnora B. Guieb  
Acting Administrator - William T. Elliott  
PHAO, AMHD – Amy Yamaguchi

Direct questions to:

Robin L. Denton

Phone Number:

(808) 236-8296

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.

  
Department Head or Designee

DEC 14 2005

Date

Title (If other than Department Head)

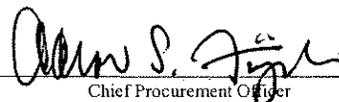
Chief Procurement Officer's Comments:

The SPO supports the need for the Hawaii State Hospital to obtain additional bed space to address the issue of overcrowding of patients. However, the lack of legislative funding approval, or discussions with potential vendors and their non-response to your call for quotes does not justify an exemption from competition. The procurement code's competitive processes provide an open and fair environment to all vendors to meet your needs, price and terms.

Please ensure adherence to applicable administrative requirements.

APPROVED

DISAPPROVED

  
Chief Procurement Officer

12/28/05

Date

cc: Administrator,  
State Procurement Office

