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

1. TO: Chief Procurement Officer
2. FROM: Human Services/HCDCH

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:

3. Description of goods, services or construction:
Elevator maintenance at 15 buildings

4. Name of Vendor: Hawaii Vertical Transportation, Inc. Address: P.O. Box 88102, Honolulu, Hawaii	5. Price: \$27,307.50
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6. Term of Contract: <i>upon CPO Approval</i> From: <u>03-10-06</u> To: 06-10-06	7. Prior Exemption Ref. No. 06-08-C
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8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State: HCDCH has been delayed in bidding the elevator maintenance contract by 3 months, due to the death of the consultant preparing the bid documents. Delivery of the bid documents was to be in December, 2005, but was delayed due to the consultant's illness. The consultant passed away, and the documents were not found until February, 2006. HCDCH is in the process of finalizing the bidding documents, and will be bidding the work in mid-March. The process of bid and award is anticipated to be finalized by early June, with the new contractor starting no later than June 11, 2006. In order to keep the elevators running well, HCDCH is requesting that a new contract with the interim elevator maintenance contract be approved for the 3 months needed to bid and award the maintenance contract.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
HCDCH requests that the vendor now performing the interim maintenance be selected. Award of the contract will be made on March 10, 2006, and the contract will end 3 months later on June 10, 2006.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
HCDCH is unique, as the agency must follow both the State Procurement laws and regulations and the Federal U.S. Department of Housing and Urban Development (HUD) procurement laws and regulations. In general, HCDCH follows the State procedures, except where the Federal procedures are more stringent. All contracts exceeding \$25,000 must be approved by HUD prior to award.

The exemption for procurement will be submitted to HUD for approval prior to award.

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:		
Name	Position	Involvement in Process
Stephanie Aveiro	Executive Director	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Pamela Dodson	Executive Assistant	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Edmund Morimoto	Chief Engineer	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: Human Services / HCDCH Contact Name: Edmund Morimoto Phone Number: 808 - 587-3176 Fax Number: 808 - 587-0600
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Agency shall ensure adherence to applicable administrative and statutory requirements

14. *I certify that the information provided above is, to the best of my knowledge, true and correct.*

Stephanie Aveiro 3/1/06
 Department Head Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u>03/01/06</u>
The Chief Procurement Officer is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to: <p align="center"> Chief Procurement Officer State Procurement Office P.O. Box 119 Honolulu, Hawaii 96810-0119 </p>	
Chief Procurement Officer's comments: The prior exemption's contract was allowed to expire without having a new contract in place. The exemption process should not be used to address poor contract administration practices. Any services beyond March 2, 2006 should be submitted as a procurement violation.	

16. APPROVED DISAPPROVED Oliver S. Filer 3/9/06
 Chief Procurement Officer Date