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

1. TO: Chief Procurement Officer
2. FROM: Department of Agriculture, Administrative Services Office

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:

Service and Maintenance of the Air Conditioning and Exhaust systems for the Agriculture & Conservation Facility, at 1428 South King Street, consisting of 4 buildings.

4. Name of Vendor: Oahu Air Conditioning Service, Inc.

Address: 938 Kohou Street (P. O. Box 17010)
Honolulu, HI 96817

5. Price:

\$16,889.45

6.

Term of Contract: From: July 2006 To: June 2007

7. Prior Exemption Ref. No.

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:

Our air conditioning maintenance service contract ended June 30th, 2006 and we are currently without a service contractor.

We attempted to have this facility added to the DAGS' contract, which covers a number of facilities in the area, but feel the price obtained by DAGS which is \$63,422.76, is too high and not in the best interest of the State. DAGS' contract ends on June 30th, 2007 and they will be bidding out the next contract soon and will be adding this facility to their contract where a competitive price will be obtained.

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

Price was originally obtained through a small purchase procurement process (see attached Record of Small Purchase form) for the term July 2005 through June 2006. Contractor has agreed to hold the price of \$16,889.45 for another year without any increases.

Beyond June 2007, service and maintenance for this facility will be covered through a DAGS contract which will commence on July 1, 2007.

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

The Administrative Services Officer and Officer Services Supervisor will ensure that the contractor provides the same services at the same prices as was required in the July 2005 through June 2006 specifications for furnishing guaranteed maintenance services of air conditioning and ventilating equipment.

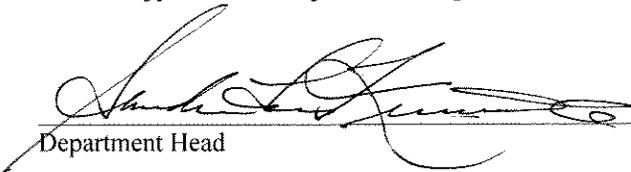
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

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
Elaine Abe	Administrative Services Officer	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Valerie Ahina	Office Services Supervisor	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
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		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: Agriculture Contact Name: Elaine Abe, Administrative Services Officer Phone Number: 073-9606 Fax Number: 973-9613
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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.*


 Department Head

7/13/06
 Date

Reserved for SPO Use Only

15. Date Notice Posted 7/18/06

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:

Chief Procurement Officer
 State Procurement Office
 P.O. Box 119
 Honolulu, Hawaii 96810-0119

Chief Procurement Officer's comments:

It has been determined that this procurement may be handled as a small purchase for the period August 1, 2006 to June 30, 2007 and is therefore returned with No Action Required (NAR). The DOA shall follow small purchase procedures and solicit a minimum of three quotations.

Because the subject services are an annual requirement, DOA should request to be included on the next DAGS A/C solicitation.

16. APPROVED DISAPPROVED

NAR

 7/26/06
 Chief Procurement Officer Date