



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

1. TO: Chief Procurement Officer
2. FROM: Micah A. Kane, Chair, Department of Hawaiian Home Lands

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:
Please see attached document entitled 'Construction Coordination & Training for Kekaha Residence Lots, Unit 4, Kekaha, Kauai.'

4. Name of Vendor: Kikiaola Construction Company Address: P.O. Box 849 Waimea, Kauai, HI 96796	5. Price: \$340,000
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6. Term of Contract: From: September 1, 2006 To: September 30, 2007	7. Prior Exemption Ref. No. NA
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8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:
See attachment 2.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
DHHL staff will solicit three organizations for proposals to complete the Kekaha Self-Help project. In addition, DHHL staff will obtain written confirmation from each organization of their interest or disinterest in proposing for this project. The award for this service will take into consideration price, quality, warranty, and delivery and will be made to the most advantageous offer to the State.

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

1. Exemption procurement approved by the Chief Procurement Officer.
2. Staff to solicit 3 organizations for proposals
3. Proposals are opened and evaluated by qualified DHHL Staff.
4. Contract awarded to proposal that is responsive, responsible, and advantageous to DHHL.
5. Contract is drafted and approved by AG.
6. Contract signed by Contractor
7. Contract signed by DHHL Chair.

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
Micah A. Kane	Chair	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Ben Henderson	Deputy	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Kaulana Park	Executive Assistant	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Kamana'o Mills	Special Assistant	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Denise Iseri-Matsubara	Special Projects	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Larry Sumida	LDD Administrator	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Connie Kita	Hmst. Land Dev. Specialist	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Kamuela Cobb-Adams	Hmst. Dev. Coordinator	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration

13. Direct inquiries to: Department: Hawaiian Home Lands
 Contact Name: Denise Iseri-Matsubara
 Phone Number: 586-3814
 Fax Number: 586-3899

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.*

Ben Henderson *8/2/06*

 Department Head Date

15. Date Notice Posted *8/05/2006*

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:

This approval is for the solicitation process only, section 103D-310(c), HRS, and section 3-122-112, HAR, shall apply.

16. APPROVED DISAPPROVED *Alana S. Taylor* *8/14/06*

 Chief Procurement Officer Date

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

In the previous six months, 20 very low-income native Hawaiian families have completed homeownership training, attended numerous individual financial counseling meetings, and have been conditionally approved for home loans on a project located in Kekaha, Kauai. Additionally, a majority of the families have relocated to Kauai from Niihau recently and have counted on a Hawaiian Home Lands lease to better their economic conditions. These families are in dire need of financial rehabilitation and have barely qualified for our low-income loan programs such as USRD, which requires the median income be below 80%. Most of these families fall below 60% of the median income. With that, these 20 families can only afford a home of \$96,000 and rely solely on the self-help method that requires their sweat equity in the construction of the homes. Their inability to secure a stable and secure job leaves no other financial alternatives for homeownership.

With the recent termination of a previous self help contractor, the families can ill-afford to have a delay in the project as their individual loans have an expiration date for pre-qualification. Although there is a limited amount of other self help contractors in Hawaii, DHHL cannot wait the normal 90-day procurement process for the families. Any extension of the project using normal procurement methods will result in families not being able to qualify for the loan. In addition, most families current living situations are temporary, that is either living with other family members or friends during this project period.

A portion of this project has been awarded via procurement exemption (PE No. 06-077-J) to Hawaii Island Community Development Corporation for project planning, evaluation, and loan counseling. The construction coordination and training aspect for the Kekaha Self-Help project are covered in this exemption request. In our selection process, Kikiaola Construction Company was the only company that expressed the desire to complete the project under the amended service terms provided.

STATE OF HAWAII REQUEST FOR WRITTEN PROPOSAL

- 1. Date: 5/19/2006
- 2. Company: Kiklaola Construction Company
- 3. Phone/fax No. 338-0021 / 338-1427
- 4. Address: P.O. Box 849
- 5. City/State/Zip: Waimea, HI 96796
- 6. Vendor Representative: Michael A. Faye

7. **PROVIDE A PROPOSAL** for the following good/service/construction (Describe or see attached specifications):
 Please see attached document entitled 'Construction Coordination & Training for Kekaha Residence Lots, Unit 4, Kekaha, Kauai.'

8. **PROPOSAL REQUESTED BY** (mail or fax this quotation by 8/2/2006, 4:00pm to the following):
(date) (time)

9. Dept/Agency Department of Hawaiian Home Lands

10. Address 1099 Alakea Blvd. Ste. 500

11. City/State/Zip Code: Honolulu, HI 96813

12. Contact Person Kamana'o Mills

13. Phone/fax No 586-3800 / 586-3899

14a. I am interested in proposing on the good/service/construction described in item 7.

14b. I am not interested in proposing on the good/service/construction described in item 7.

15. Quotation Amount for the good/service/construction described in item 7.

16. Additional information or terms (i.e. delivery time, warranty period, etc.):
 (Please attach additional information, if applicable.)

17. Quote No. _____

18. Price(s) shall remain firm for _____ days.

19. Vendor Representative: _____

Michael A. Faye
 Signature

7/29/06
 Date

Title: _____

President

STATE OF HAWAII REQUEST FOR WRITTEN PROPOSAL

1. Date: 5/19/2006

2. Company: Menehune Development Co.

3. Phone/fax No. 885-8821 / 885-1993

4. Address: P.O. Box 657

5. City/State/Zip: Kamuela, HI 96743

6. Vendor Representative: Fred Yamashiro

7. PROVIDE A PROPOSAL for the following good/service/construction (Describe or see attached specifications):
Please see attached document entitled 'Construction Coordination & Training for Kekaha Residence Lots, Unit 4, Kekaha, Kauai.'

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(Please attach additional information, if applicable.)

17. Quote No. _____ 18. Price(s) shall remain firm for _____ days.

19. Vendor Representative: [Signature] 8/1/06
Signature Date

Title: PRESIDENT

STATE OF HAWAII REQUEST FOR WRITTEN PROPOSAL

- 1. Date 5/23/2006
- 2. Company: Lokahi Pacific
- 3. Phone/fax No. 242-5761 / 244-2057
- 4. Address: 1935 Main Street, Ste. 204
- 5. City/State/Zip: Wailuku, HI 96793
- 6. Vendor Representative: Michele Pagaduan

7. PROVIDE A PROPOSAL for the following good/service/construction (Describe or see attached specifications):
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8. PROPOSAL REQUESTED BY (mail or fax this quotation by 8/2/2006, 4:00pm to the following):
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10. Address 1099 Alakea Blvd, Ste. 500 11. City/State/Zip Code: Honolulu, HI 96813

12. Contact Person Kamana'o Mills 13. Phone/fax No 586-3800 / 586-3899

14a. ___ I am interested in proposing on the good/service/construction described in item 7.

14b. X I am not interested in proposing on the good/service/construction described in item 7.

15. Quotation Amount for the good/service/construction described in item 7.

16. Additional information or terms (i.e. delivery time, warranty period, etc.):
(Please attach additional information, if applicable.)

17. Quote No. _____ 18. Price(s) shall remain firm for _____ days.

19. Vendor Representative:

J. Ann T. Lides
Signature

8-1-06
Date

Title:

Managing Director