

06 SEP -7 AM 59



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

1. TO: Chief Procurement Officer
2. FROM: Human Services/HPHA/Homeless Programs Branch

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:
Survey consisting of six questions to update information on the hidden homeless and homeless-at-risk in the State of Hawaii. The survey questions would be added to a survey which was procured by Hawaii Housing Finance and Development Corporation (HHFDC) and SMS. The six questions will be contracted by the Hawaii Public Housing Authority (HPHC) as a separate contract with SMS. Attached are excerpts from the existing HHFDC contract which cites - Compensation and Payment Schedule, Scope of Services, and Time of Performance. HHFDC did not want to amend their contract to include the six questions, because of mitigating circumstances, hence, HPHC desires to enter into a separate sole source contract.

4. Name of Vendor: SMS Address: 1042 Fort Street Mall, Suite 200 Honolulu, HI 96813	5. Price: \$11,215.00
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6. Term of Contract: <u>Date of Approval</u> From: 09/15/06 To: 12/31/06	7. Prior Exemption Ref. No.
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8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State: SMS conducted the Housing Policy Study in 2003 after being selected under a Request for Proposal. The study included questions in a survey to identify Hawaii's hidden homeless and homeless-at-risk. HHFDC put out an RFP for a new Housing Policy Study in 2006, however the RFP inadvertently left out the questions that would enable the study to include an assessment of Hawaii's hidden homeless and homeless-at-risk. SMS was selected under the competitive procurement for the 2006 Housing Policy Study for a total price of \$166,712.81. The survey questions that would accomplish the homeless assessment consists of six additional questions that, when analyzed with other data gathered through the Housing Policy Study, would produce the data needed to measure the extent of growth or lessening of Hawaii's hidden homeless and homeless-at-risk.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
The survey questions that would accomplish the homeless assessment consists of six additional questions that, when analyzed with other data gathered through the Housing Policy Study, would produce the data needed to measure the extent of growth or lessening of Hawaii's hidden homeless and homeless-at-risk. The vendor would be SMS, based on their success in submitting the selected proposal for the Housing Policy, which was procured through RFP using the regular State Procurement process.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
The contract for the Housing Policy Study was procured by Janice Takahashi, Chief Planning Officer for HCDCH, the agency from which HPHA split on July 1 2006. The new contract for the additional questions to be added to the Housing Policy Survey will be drafted and administered by Sandra Miyoshi, Homeless Programs Branch Administrator. The exempted procurement contract will be reviewed by Barbara Arashiro and executed by Patti Miyamoto.

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
Sandra Miyoshi	Homeless Programs Branch Admin.	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Barbara Arashiro	Acting Contracts & Procure. Off.	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Patti Miyamoto	Acting Executive Director	<input checked="" type="checkbox"/> Approval <input 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: Department of Human Services
 Contact Name: Sandra J. Miyoshi
 Phone Number: 832-5931
 Fax Number: 832-5932

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.*

Patti Miyamoto
 Department Head

9/6/06
 Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u>9/08/06</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: <ul style="list-style-type: none"> 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, HRS section 103D-310(c) and HAR section 3-122-112, shall apply.	

16. APPROVED DISAPPROVED NO ACTION REQUIRED

Ann S. Fujita *9/18/06*
 Chief Procurement Officer Date



STATE OF HAWAII

COMPENSATION AND PAYMENT SCHEDULE

- A. The total price for performance of the Scope of Work is ONE HUNDRED SIXTY-SIX THOUSAND SEVEN HUNDRED TWELVE AND 81/100 dollars (\$166,712.81). The HCDCH's prorated share of the total price is SEVENTEEN THOUSAND FOUR HUNDRED FIVE AND 34/100 dollars (\$17,405.34). The price constitutes the total compensation payable to the CONTRACTOR for performing the work.
- B. Payment for services shall be made in three installments:
 - 1. 20% of the contract amount (\$3,481.07) shall be paid upon approval of the survey instrument.
 - 2. 60% of the contract amount (\$10,443.21) shall be paid upon completion of the first draft of the report.
 - 3. 20% of the contract amount (\$3,481.07) shall be paid upon acceptance by HCDCH, the DHHL, OHA, and the County housing agencies of the final report, submission of backup data and records, and compliance with final payment requirements.
- C. The Contractor shall enter into separate agreements with the HCDCH, the DHHL, OHA, and each of the County housing agencies.
- D. The Contractor shall send separate payment requests to the HCDCH, the DHHL, OHA, and each of the County housing agencies for services rendered. The invoices shall contain an itemized breakdown of expenses (i.e., travel, supplies, taxes, etc.) and personnel hours and rates with the description of tasks completed. The Contractor's payment request shall be reviewed and approved by HCDCH, the DHHL, OHA, and the County housing agencies.
- E. Any reasonable modification of the scope of work which does not materially add to the cost of the work shall be performed without extra payment on account of those changes.



STATE OF HAWAII
SCOPE OF SERVICES

The scope of services shall include, but not be limited to, the following activities:

A. Housing Supply and Demand Survey

1. Conduct a survey to update information on housing supply and demand. (Reference Section IV, Tables A-1 to A-13; B-1 to B-11; C-1 to C-13E; D-1 to D-13, E-1 to E-13e; and F-1 to F-13e of the 2003 Housing Policy Study Update.)

The survey shall obtain the following information:

- a. Describe the current housing conditions of Hawaii's people (e.g., tenancy, condition of housing unit, residence in single family v. multi-family, monthly housing costs).
- b. Describe the present housing situation of residents (e.g., extent of overcrowding, extent of cost burden, years in current tenancy, plans to move from Hawaii).
- c. Measure demand in the short-run (i.e., within 2-5 years) and long-run (i.e., over 5 years); willingness to purchase or rent an affordable unit located in identified geographic areas; and qualifications of households for various types of housing (e.g., financial ability to purchase, amount of savings for down payment).
- d. Identify housing preferences, including the extent to which households might be willing to relax their preferences in order to obtain adequate housing (e.g., preferred location, leasehold, buy multi-family v. single family, purchase multi-family in town v. single family in Ewa).
- e. Measure demographic and economic characteristics of Hawaii's households (e.g., income, income distribution as a percentage of the median income determined by the survey and the U.S. Department of Housing and Urban Development (HUD), household size, household type, age of children, employment, savings). The HUD income limits for 2006 are provided in Exhibit B of the RFP.

The survey shall obtain responses from specific populations to proposals for housing solutions:

- a. Demand for permanently affordable housing options including leasehold ownership with "sustainable" leases in the City and County of Honolulu, and the Counties of Hawaii, Kauai, and Maui.



STATE OF HAWAII SCOPE OF SERVICES

- b. Demand for permanently affordable housing options including leasehold ownership and limited equity cooperatives on **Kauai**.
2. The survey sample sizes for each island shall assure a confidence level of 95 percent with a margin of error of plus or minus 5%. The survey sample sizes for the geographic sub-areas shall be sufficient to produce error estimates at a reasonable level (e.g., plus or minus 5-7 percentage points at the 95 percent confidence level).
3. Contractor shall provide written justification for the use of weighted data to achieve a representative sample and shall obtain the HCDCH's prior written approval.
4. Compile survey information by specific geographic districts:

City and County of Honolulu

- a. Island of Oahu,
- b. Primary Urban Center,
- c. Central Oahu,
- d. East Honolulu,
- e. Leeward Oahu, and
- f. Windward Oahu.

County of Hawaii

1. Island of Hawaii,
- b. South Kona to Ka'u (census tracts 212, 213),
- c. Puna (census tracts 210, 211),
- d. North and South Hilo (census tracts 201 - 209, 221),
- e. North Hawaii (Hamakua, North and South Kohala) (census tracts 217 -220), and
- f. North Kona (census tracts 214 -216).

County of Maui

- a. County of Maui;
- b. Island of Maui;
- c. Hana;
- d. Makawao-Pukalani-Kula;
- e. Wailuku-Kahului;
- f. Paia-Haiku;
- g. Kihei-Makena;
- h. West Maui;
- i. Island of Molokai; and
- j. Island of Lanai



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SCOPE OF SERVICES

County of Kauai (By TMK Zones in Index Map of Hawaii – 4th Division)

- a. Island of Kauai;
- b. Waimea
- c. Koloa
- d. Lihue
- e. Kawaihau
- f. Hanalei

State of Hawaii

4. Provide a detailed analysis of the survey information.
 - a. Identify changes from previous survey data.
 - b. Describe trends in housing supply and demand.
 5. Prepare an Executive Summary by county and for the State of Hawaii, as well as for the DHHL and OHA.
- B. Interactive Housing Models to Forecast Housing Supply and Demand in the Short-run (2-5 years) and Long-run (over 5-20 years)
1. Develop a housing model to project housing supply and demand:
 - a. The number of units that are estimated to be produced annually. Housing developers, including the military, should be surveyed to get an estimate of short-run housing production.
 2. The number of housing units that are needed annually by tenure, income group as a percentage of the survey median income, income as a percentage of the HUD median income, age cohort, and elderly v. family housing for the State of Hawaii, the City and County of Honolulu, and the Counties of Hawaii, Kauai and Maui.
 2. Design the housing model with user friendly software so that changes in supply and demand variables (e.g., interest rates and other economic indicators) can be made by government agencies participating in this housing study.
 3. Identify a short list of supply and demand variables that should be monitored on an annual basis and provide an estimated cost for your services to update an interactive housing model.
- C. Housing Inventory
- Provide an update on the housing inventory by county and statewide. (Reference Section II, Figures II-0 to II-4; Tables II-1 to II-16c.) The inventory should include housing units for military personnel on or off military bases.



STATE OF HAWAII
SCOPE OF SERVICES

- D. **Quarterly Rental Data**
Provide quarterly rental data from September 2002 to September 2006 by geographic areas within each of the counties.
1. Update rental information in Section III of the 2003 Housing Policy Study Update. (Reference Section III, Figures III-0A to III-0D; Tables III-2 to III-5; Figures III-1 to III-48.)
- E. **Reconciliation with Census and Other Data Sources**
Reconcile housing survey and inventory information with the 2000 U.S. Census data, 2000 CHAS Data Book, Hawaii Health Surveillance Survey data, and other relevant data sources.
- F. **Special Tabulations for DHHL and OHA**
Provide special tabulations for data obtained from native Hawaiians (50% blood quantum) and persons of Hawaiian ancestry. (Reference Section V, Tables V-1 to V-11.)



STATE OF HAWAII
TIME OF PERFORMANCE

CONTRACTOR shall commence work on _____ . The final report shall be completed by December 22, 2006.

The Contract for Goods or Services may be extended for up to two (2) times. Any extension to the term of the Contract shall be made only by written agreement executed by the STATE and the CONTRACTOR.