



'06 OCT -3 P1:44

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

- 1. TO: Chief Procurement Officer
- 2. FROM: DHS/ Hawaii Public Housing Authority

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 and repair at 15 public housing sites

This is a supplemental request to the prior exemption reference no. Under the previous exemption, the HPHA estimated repairs at \$400,000 and maintenance at \$50,000. Upon completion of negotiations, the HPHA will contract under the previous exemption for \$475,020.

Additionally, after a thorough review of the previous inspection reports prepared by HB Consulting and discussions with the Contractor, the HPHA has identified approximately \$715,000 more in additional repairs that need to be addressed on a priority basis. The total contract is estimated at \$1.19 million.

4. Name of Vendor: Hawaii Vertical Transportation, Inc Address: P.O. Box 88102, Honolulu, Hawaii	5. Price: \$750,000 est.
6. Term of Contract: From: 10/10/2006 To: 1/31/2007	7. Prior Exemption Ref. No. 07-026-J

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State Since March 2006, HPHA has not had a contractor to perform regularly scheduled maintenance service of the elevators at public housing sites. This has proven to be costly, time consuming, and inefficient. More significantly, the frequency of the breakdowns and the down-time of the elevators poses a health and safety issue to the residents, especially the elderly and infirm. HPHA was been delayed in finalizing its competitive procurement for a long-term contractor due to the death of its elevator consultant in February 2006. The consultant was in the process of assessing the specific needs of the 15 public housing sites. On October 3, 2006, the HPHA received SPO approval to issue a non-competitive contract for elevator maintenance and repair services. The HPHA is requesting to expand the scope to address all necessary repairs with the same Contractor.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:  
The HPHA is requesting exemption from §103D, HRS to negotiate directly with Hawaii Vertical Transportation (HVT) for the repair and maintenance of 15 elevators on an interim basis. HVT was the last contractor to perform maintenance and repair on the HPHA's elevators and its technicians are familiar with the condition of each elevator system. The HPHA also currently utilizes HVT on an emergency basis when the elevators shut down.

When the new solicitation is completed, the HPHA will be able to competitively procure long term maintenance and repair services. The HPHA also anticipates issuing a solicitation for modernization of some of the elevators (depending on available funds) and will competitively procure those services.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:  
Except for the requirement to engage in a competitive selection process, the HPHA does not intend to waive any other established internal controls. All procurement and contract documents will be reviewed by HPHA's Construction Management Section, Contract & Procurement Office, Executive Director, and the Office of the Attorney General, as appropriate. The Construction Management Section will be responsible to monitor the Contractor's performance, including reviewing all requests for payment.

~~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
Patti Y. Miyamoto	Interim Executive Director	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Barbara Arashiro	Act Contract & Procurement Offc.	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Derek Fujikami	Construction Mgmt Section	<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: DHS/ HPHA Contact Name: Patti Miyamoto Phone Number: 832-3838 Fax Number: 832-6030
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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.*

*Patti Y. Miyamoto*  
 Department Head

*10/3/06*  
 Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u>10/6/06</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: <p align="center">                     This is being approved as an amendment to prior exemption P.E. No. 07-026-J.                 </p>	

16.  APPROVED     DISAPPROVED     NO ACTION REQUIRED

*Alan S. Fujikami*  
 Chief Procurement Officer      10/13/06  
 Date