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

- 1. TO: Chief Procurement Officer
- 2. FROM: Barry Fukunaga, Director of Transportation

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:

This request consists of procuring the following services for two State-owned commercial properties located at 55 and 101 Kaahumanu Avenue, Kahului, Hawaii: (1) daily janitorial services for the interior common areas, including public restrooms, stairways and hallways, and covered walkways; (2) twice weekly refuse/trash collection and disposal services; (3) daily and nightly roving security patrol services; and (4) maintenance of the landscaped areas and parking lot.

4. Name of Vendor: To be determined
Address:

5. Price:
\$55,000.00

6. Date of Approval
Term of Contract: From: ~~December 1, 2007~~ To: March 31, 2008

7. Prior Exemption Ref. No.

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:
The State of Hawaii Department of Transportation, Harbors Division, "as Buyer," has completed its negotiations to acquire all of the fee simple interest and title to two (2) commercial real properties located at 55 and 101 Kaahumanu Avenue, Kahului, island of Maui from A & B Properties, Inc., as "Seller." On November 15, 2007, the Director of Transportation executed a disposition agreement with A & B Properties, Inc., as Seller, for the fee simple purchase of the subject Kahului, Maui commercial properties with closing of the real estate transaction set for December 1, 2007. The division will assume ownership and must provide the mentioned services to the tenants of the properties as of December 1, 2007. There is insufficient time to bid and award a contract to obtain the foregoing services. (Continued on Attachment 1)

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

The Harbors Division will contact vendors who are immediately available and can perform the work to ensure continuity of services for the tenants of the subject properties. The vendors selected will provide the needed services until the division can bid and award a contract no later than April 1, 2008.

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

All work will be under the supervision of the division's Property Management Section Head and the Maui District Office. The need for the services is certified and deemed necessary by the Harbors Property Management Section Head, Harbors Administrative Services Officer, Harbors Administrator, and Deputy Director for Harbors.

08-045-J

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:			Involvement in Process	
Name	Position		Approval	Administration
Glenn Abe <i>sa 11/23/07</i>	Supervising Property Manager		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Jean Oshita <i>jo 11/23/07</i>	Administrative Services Officer		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Davis Yogi <i>dy 11-23-07</i>	Harbors Administrator		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Michael Formby <i>MF 11-26-07</i>	Deputy Director for Harbors		<input checked="" type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>

13. Direct inquiries to: Department: Transportation
 Contact Name: Glenn Abe *sa*
 Phone Number: 587-1944
 Fax Number: 587-2504

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.*

[Signature]
 Department Head

11 26 07
 Date

Reserved for SPO Use Only

15. Date Notice Posted 11/26/07

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, HRS section 103D-310(c), and HAR section 3-122-112 shall apply.

16. APPROVED DISAPPROVED NO ACTION REQUIRED

[Signature] 12/3/07
 Chief Procurement Officer Date

Attachment to Request for Exemption (No. 8 continued)

The division intended to bid and award a contract for property management services under which a contractor would provide assistance in overseeing the management of the two buildings including all services to be provided to the tenants as part of their common area maintenance charges. This process was delayed to concerns on the part of property management firms regarding the State's indemnification provisions. Time is needed to work this issue out before the division can proceed with putting this service out to bid. As the division needs to ensure continuity of services to the tenants upon assuming ownership on December 1, 2007, an exemption is requested so the needed services can be provided until we are able to bid and award a contract no later than April 1, 2008.