



MAY 20 2008

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

1. TO: Chief Procurement Officer
2. FROM: DOH/AMHD/ Hawaii State Hospital *RP*

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:
Furnishing & Delivery of Non-Perishable and Frozen Food supplies to Hawaii State Hospital.

4. Name of Vendor: HFM Foodservice (Kerr Pacific)

Address: 716 Umi Street
Honolulu, HI 96819

5. Price:

\$25,000.00

6. Term of Contract: *Upon CPO Approval*
From: ~~Jan. 1, 2008~~ *CA* To: Dec. 31, 2008

7. Prior Exemption Ref. No.
0

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:
HFM Foodservice and Y.Hata & Company, Ltd. were both awarded the contract (IFB 07-037-0) for current year (1/1/2007 - 12/31/2007) Y. Hata & Company, Ltd has elected not to extend the current contract (Contract No. IFB 07-0370) beyond December 31, 2007. The categories involved only represent a small "Fraction" of the entire contract. It would not be feasible to submit a new solicitation for these few categories. HFM Foodservice (Kerr Pacific) was awarded the majority of the categories on said contract and has agreed to extend the contract the full two (2) years. HFM Foodservice would be the logical vendor to provide the items previously purchased through Y. Hata & Company, Ltd.

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

All items previously provided by Y. Hata & Company, Ltd would be ordered through HFM Foodservice, which would limit the additional paperwork such as Purchase Orders, Pcard Requisitions, etc.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
Purchase orders are generated by the DSD and then processed and approved by the Business Office and Administration at HSH. Purchase orders are then sent to ASO for incumberance.

