

## STATE OF HAWAII REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: Chief Procurement Officer

FROM: **Transportation/Highways**  
(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:

Description of goods, services, or construction:

**The Contractor shall furnish labor, materials and equipment to maintain elevators, appurtenances and accessories at the Interstate Route H-3 Freeway, Harano Tunnel facility, per specifications. This service shall be accomplished using skilled and trained personnel, who shall regularly and systematically examine, monitor and maintain elevator equipments.**

Name of Vendor: <b>Kone Inc.</b> Address: <b>239 Puuhale Road Honolulu, Hawaii 96819</b>	Cost: <b>\$5,000.00 per month (approximate)</b>
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Term of Contract:           From: <b>Upon CPO approval</b>  To: <b>six (6) months from CPO approval</b>	Prior Exemption Ref. No. (if applicable) <b>N/A</b>
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Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

**This project can't be executed due to conditions that are requested by the bidder in the attached Rider.**

**Contract documents were sent to the awardee on November 1, 2007 for execution and requested the Rider on December 8, 2007. Advertisement for re-solicitation of bids is expected this month.**

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

**Bid for this project was opened on October 11, 2007. The vendor who was selected was the sole bidder.**

**In addition, the vendor has kept an inventory of elevator parts at the project site from previous contract.**

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

The contractor shall provide a work schedule and monthly maintenance report to the State. The Engineer shall review and approve the work schedule. The State shall pay all approved monthly invoice by Purchase Order.

A list of agency personnel, by position title, who will be involved in the approval process and administration of the contract:

- Clyde Morita, Tunnel Operations Center Manager
- George Abcede, Maintenance Engineer
- Pratt Kinimaka, District Engineer, Oahu
- Jamie Ho, Engineering Program Manager
- Glenn Yasui, Highways Administrator
- Brennon Morioka, Acting Director, Department of Transportation

Direct questions to:

- Leandro Manding, Civil Engineer
- Clyde Morita, Tunnel Operations Center Manager
- George Abcede, Maintenance Engineer
- Pratt Kinimaka, District Engineer, Oahu

Phone Number:

- 587-2184
- 831-6812
- 831-6811
- 831-6703

This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR: Yes  No

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS, TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT.

*BD*

Department Head or Designee

*1-10-08*

Date

Title (If other than Department Head)

Chief Procurement Officer's Comments:

This approval is based on the DOH's representation that they will be issuing a revised solicitation for these services and this is only for a limited period until a new contract is executed.

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

Please ensure adherence to applicable administrative requirements.

APPROVED

DISAPPROVED

*Alvin S. Joseph*

Chief Procurement Officer

*1/23/08*

Date

cc: Administrator,  
State Procurement Office

STATE OF HAWAII  
NOTICE OF EXEMPTION FROM CHAPTER 103D, HRS

The Chief Procurement Officer is in the process of reviewing the request from the Department of Transportation for exemption from Chapter 103D, HRS, for the following goods, services, or construction:

The Contractor shall furnish labor, materials and equipment to maintain elevators, appurtenances and accessories at the Interstate Route H-3 Freeway, Hanalei Tunnel facility, per specifications. This service shall be accomplished using skilled and trained personnel, who shall regularly and systematically examine, monitor and maintain elevator equipments.

Vendor: Kone Inc.  
Address: 239 Puuhale Road  
Honolulu, Hawaii 96819

Term of Contract: From: Upon CPO approval | Cost: \$5,000.00 per month  
To: six (6) months from CPO approval

Direct any inquiries to:  
Department: Transportation | Phone Number: 587-2184  
Contact Name/Title: Leandro Manding, Civil Engineer | Fax Number: 587-2524  
Address: 869 Punchbowl Street  
Honolulu, Hawaii 96813

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Date Posted: 1/16/08

A copy of this notice of exemption from Chapter 103D, HRS, shall be posted by the Chief Procurement Officer and the purchasing agency in an area accessible to the public, at least seven (7) calendar days prior to any approval action.

Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven (7) calendar days from the date posted to:

Chief Procurement Officer  
Office/Agency \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_

RIDER NO. 1

The parties hereby agree to be bound to the terms contained in the Agreement between KONE Inc. and the State of Hawaii Department of Transportation Highways Division dated \_\_\_\_\_ (the "Agreement"), together with those terms contained in this Rider. Provided, however, that notwithstanding any terms contained in the Agreement to the contrary, in the event of conflict between terms contained in the Agreement and terms contained in this Rider No. 1, the terms in this Rider shall supersede and prevail.

- 1. Neither party shall be liable to the other for incidental or consequential damages under this Agreement.

SPECIFICATIONS

Section 1 – Definition and Terms

- 2. Article 7.4: Add the following language for clarification: "Entire article regarding indemnification and defense applies only to the extent that such bodily injury or property damage was caused by the negligence of this Subcontractor (or its subordinates), and not to the extent caused by others."
- 3. Article 7.9: Delete the additional insured requirement. As confirmation, KONE Inc. shall provide its standard certificate of insurance, which shall satisfy the insurance requirements for this project.

ACCEPTED:

STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION

KONE INC.

BY: \_\_\_\_\_



BY: BRUCE NORDEN  
VICE PRESIDENT \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: December 7, 2007

STATE OF HI PROJECT # HWY-0T-1007C

KONE CONTRACT # 40060818