



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

1. TO: Chief Procurement Officer
2. FROM: Micah A. Kane, Chair, Department of Hawaiian Home Lands

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:

48" X 60" oil on canvas painting of Prince Jonah Kuhio Kalaniana'ole, matted, framed and affixed with the necessary hardware for hanging. Prince Kuhio was Hawaii's territorial delegate to Congress who championed and gained passage of the Hawaiian Homes Commission Act, now administered by the State of Hawaii through the Department of Hawaiian Home Lands (DHHL). The art piece will be displayed in the reception area of DHHL's new headquarters, Hale Kalaniana'ole, in Kapolei.

4. Name of Vendor: Kamuela Fine Arts

Address: 1658 Ala Aulani St. Honolulu, HI 96819

*Solicitation of vendors to commence once procurement exemption is approved.

5. Price:

\$75,000.00

6.

Term of Contract:

From: To be determined *

To: To be determined *

7. Prior Exemption Ref. No.

NA

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State: Pursuant to HRS 103D-102(b)(4)(B), government bodies are exempt from procurement by competitive means for "works of art for museum or public display" when either not practicable or not advantageous to the State. A previous solicitation yielded two vendors, neither of which satisfied DHHL's design aesthetic. The art piece is a "one-of-a-kind" work. It depicts Prince Jonah Kuhio Kalaniana'ole, described above, has already been completed and is currently being offered for sale. Delay in procurement will likely result in a lost opportunity as there are others interested in the piece at more than four times the above price.

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

A previous solicitation yielded two vendors, neither of which satisfied DHHL's design aesthetic. DHHL will purchase the completed art work from Kamuela Fine Arts.

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

1. Exemption procurement approved by the Chief Procurement Officer.
2. Contract awarded to Kamuela Fine Arts.
3. Contract drafted and approved by AG.
4. Contract signed by Contractor.
5. Contract signed by DHHL Chair.

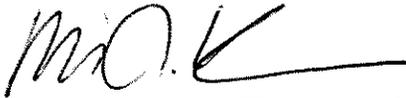
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

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	
Micah A. Kane	Chair	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Kaulana Park	Deputy	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Kamana'o Mills	Special Assistant	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration

13. Direct inquiries to:	Department: Hawaiian Home Lands
	Contact Name: Kamana'o Mills
	Phone Number: 586-3822
	Fax Number: 586-3899

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.*



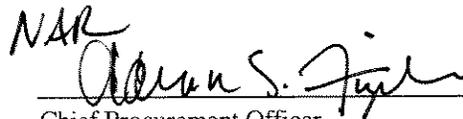
3/11/08

Department Head

Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u>3/20/08</u>
<p>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> <p align="center">Chief Procurement Officer State Procurement Office P.O. Box 119 Honolulu, Hawaii 96810-0119</p>	
<p>Chief Procurement Officer's comments:</p> <p>As noted in this request, the purchase of works of art for public display is exempt from the procurement code. When a procurement is exempt by HRS section 103D-102 or HAR section 3-120-4(b), purchasing agencies shall cite on their purchase order or on the contract the waiver authority such as "Exempt from Chapter 103D pursuant to HRS section 103D-102(b)(4)(B)". However please note that exempted purchases are required to be posted on the Procurement Reporting System.</p> <p>For the above reasons, this request is returned with no action required by the State Procurement Office.</p>	

16. APPROVED DISAPPROVED


 Chief Procurement Officer Date 3/20/08