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

1. TO: Chief Procurement Officer

2. FROM: Department of Commerce and Consumer Affairs, PVL, REB

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:
Mediation services in which vendors will provide conciliation and mediation services to assist in resolving disputes of the nature provided for in Chapters 514A and 514B, HRS, involving condominium unit owners or boards of directors. These mediation services will be made available on Oahu, Maui, Kauai, and on the island of Hawaii, in Hilo and Kona. The vendors will maintain an adequate pool of trained and qualified mediators to conduct mediation services; develop and maintain good working relationships with organizations and agencies in the condominium industry; and participate in a program of outreach and education relevant to condominium dispute resolution. The vendors will also provide quarterly written reports to the Real Estate Commission.

4. Name of Vendor: Ku'ikahi Mediation Center, Inc. Address: 614 Kilauea Avenue, Suite 5A, Hilo, HI 96720	5. Price: \$20,000 per year
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6. Term of Contract: From: 7/1/08 To: 6/30/09 <i>ASU</i>	7. Prior Exemption Ref. No.
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8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State: Exhibit A of Chapter 3-120, Hawaii Administrative Rules, provides for additional exemptions to § 103D-102(b)(4), HRS, where procurement by competitive means would be either not practicable or not advantageous to the State. Item Number 12 of Exhibit A exempts government bodies from procurement by competitive means for professional consultant services for arbitration. The procurement of mediation services is similar to the procurement of arbitration services. There are a limited number of vendors available statewide able to provide conciliation and mediation services. Procurement of these vendors by competitive means would not be practicable. ~~*With an optional one year extension, to June 30, 2010.~~ *ASU*

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
Previous solicitations have yielded no proposals from potential mediation vendors for the Hilo area. Ku'ikahi Mediation Center, Inc. is the only vendor in Hilo to indicate any interest in providing mediation services for the Real Estate Branch. Additionally, it has consistently submitted a bid that includes the services necessary to provide mediation services to the condominium community within the allotted budget of the Real Estate Branch. Thus, the solicitation has been as fair and open as practicable.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
There are several layers of review and many opportunities for questions regarding the proposed exempted procurement. The Deputy Attorney General assigned to the Real Estate Branch reviews all contracts and procurement procedures, including requests for exemptions. The Real Estate Commission approves all contracts entered into by the Real Estate Branch, with the Chair of the Commission a signatory to the contract. The Director of the Department of Commerce and Consumer Affairs also has the opportunity to review the proposed contract and is a signatory to the contract.

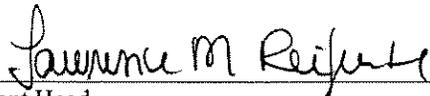
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

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
Lawrence E. Reifurth	Director, DCCA	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Noe Noe Tom	Licensing Administrator, PVL	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Trudy I. Nishihara	Chair, Real Estate Commission	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Shari Wong	Deputy Attorney General	<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

13. Direct inquiries to:	Department: DCCA Contact Name: Benedyne Stone Phone Number: 586.2643 Fax Number: 586.2650
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Agency shall ensure adherence to applicable administrative and statutory requirements

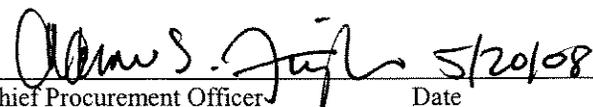
14. *I certify that the information provided above is, to the best of my knowledge, true and correct.*


4/30/08

 Department Head Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u>5/12/08</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: 	

16. APPROVED DISAPPROVED NO ACTION REQUIRED



 Chief Procurement Officer Date