



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

1. TO: Chief Procurement Officer  
2. FROM: State Procurement Office – Surplus Property Management Office

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:

Auction services for sale of surplus used vehicles disposed to the Surplus Program by various departments and agencies.

4. Name of Vendor: Aloha Auto Auction  
Address:

5. Price: \$25,000

6. Term of Contract: From: ~~Jan 2008~~ <sup>Aug. 27, 2008</sup> <sub>CT</sub> To: Dec 2008

7. Prior Exemption Ref. No. none

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:

The Surplus Program, in conjunction with the General Services Administration (GSA) vehicles sale, which may include vehicles from other Federal agencies (i.e. Navy) combines their total numbers of vehicles to make up the minimum of 100 vehicles to conduct an auction. These publicized auctions of government vehicles have had favorable car dealers and public participation, using the same auction to take advantage of the large volume of bidders and expected high sales values. GSA vehicle sales has a good reputation and a large customer base that follows their sales, and in the past, we have had success in achieving our goals when measured against Kelly blue book values.

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

Vendor is contracted by GSA for federal agencies vehicle sales by auction. Utilizing the same vendor for auction of governmental vehicles (federal and state) results in higher volume of sales.

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

Vehicles are held/stored at the Surplus Property facility until prep for vehicle auction. May require minor repairs (ie. Replacement of dead battery, etc.) to ready for sale, and thereafter driven to the auction location (only one block away from Surplus Property facility).

- All vehicles for sale shall be in accordance with rules governing auction of state property:
- Disposal of State Property for sale by auction approvals are obtain by state agencies for their vehicles.
  - A public notice of the auction will be posted on the SPO Procurement Notices webpage.

**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
Ruth Yamaguchi	Assistant Administrator	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Craig Kuraoka	Surplus Property Program Mgr	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: State Procurement Office Contact Name: Ruth Yamaguchi Phone Number: 808 586-0554 Fax Number: 808 586-0570
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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.*

*Celine Y. Umuto*  
 Department Head

*8/27/08*  
 Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u><i>8/27/08</i></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: <p align="center">                         This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112, shall apply.                     </p>	

16.  APPROVED  DISAPPROVED  NO ACTION REQUIRED

*Ann S. Juhl*  
 Chief Procurement Officer Date *9/3/08*