

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

1. TO: Chief Procurement Officer
2. FROM: Department of Health, State Laboratories Division

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 guaranteed maintenance service of all air conditioning, and ventilation systems, cooling tower and heating water treatment and HVAC controls maintenance for the State Laboratory Division during an interim period from 11/1/08 to 1/31/09.

4. Name of Vendor: Honeywell International Inc.
Address: 250 Ward Avenue, Suite 100
Honolulu, Hawaii 96814

5. Price:
\$30,000

6. Term of Contract: From: 11/1/08 To: 1/31/09

7. Prior Exemption Ref. No.

8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:
Because our current HVAC contractor, Honeywell, has refused the last extension on their contract with us, our contract with them will be ending on October 31, 2008. Honeywell will not be responsible for our new chiller variable speed drive maintenance because of the liability of the replacement cost should the drives breakdown. There is insufficient time to go out for a formal IFB since they refused the extension in July 2008. We need to have a formal contract in place as soon as possible for the smooth operation of our HVAC systems but SPO needs at least until January 31, 2009 to complete the IFB bidding process for a new HVAC contract. Due to the short time available to us to procure a formal bid, we must temporarily appoint a vendor for 3 months until the formal IFB can be done.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
Although Honeywell has rejected the last extension on their contract with us, they have agreed to extend the contract with us under the same conditions and price according to Nick Navarre on September 23, 2008. This maintenance agreement under Chapter 103D Exemption will not include any chiller variable drive maintenance. We feel this is the most reasonable and practical situation for us since the price will not change for us and Honeywell has to do many repairs before their contract with us ends. This arrangement will insure us of the smoothest transition from Honeywell to the new vendor. The new IFB-09-030-O contract will commence on February 1, 2009. Honeywell also informed us that they will be bidding on the new IFB for our new HVAC Maintenance Contract.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
The temporary 3 month HVAC contract with the vendor must be processed and approved by the Administration Services Office of the Department of Health. A new purchase order must be done along with D.O.H. and D.A.G.S. approvals. Sufficient funds must be provided for the 2nd and 3rd quarter budgets for this expense.

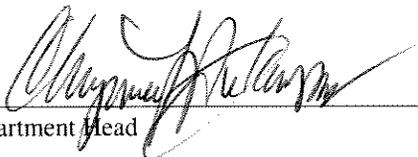
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

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
Dr. A. Christian Whelen	SLD Administrator	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Roland Nishimura	Building Manager	<input checked="" type="checkbox"/> Approval <input checked="" 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 Laboratories Division Contact Name: Roland Nishimura Phone Number: 453-6651 Fax Number: 453-6662
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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.*


 Department Head

OCT 28 2008
 Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u>10/28/08</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: <p align="center"> This approval is based on the current contractor's late decision not to extend the contract and the need for continued interim maintenance services until a new contract is executed for these services. </p> <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**

 11/6/08
 Chief Procurement Officer Date