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STATE PROCUREMENT OFFICE
STATE OF HAWAII

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

- 1. TO: Chief Procurement Officer
- 2. FROM: Department of Agriculture/Agribusiness Development Corp.

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:
 For three Caterpillar genset modules (Two model 3512 and one 3456) and paralleling switchgear:
 1) Perform technical inspection, test, change oil, filters, engine coolant, main bearing, & genset bearing, 2) Inspect and install hat screens on turbo-chargers, clean and dry generator bearings, renew batteries.
 3) Visual inspection of switchgear bus and controls, insulation resistance check of circuit breakers and switchgear bussing, power-up DC and check for inoperable components.
 4) Technical assistance with contractor hook-up of interconnecting control cables. Operator training.
 5) Spare parts: 2 sets of filters, belts. 4 fuses for each type of fuse the genset and paralleling gear is equipped with. 55-gallons of engine crankcase oil, 10-gallons pre-diluted engine jacket water coolant

4. Name of Vendor: Hawthorne Pacific Corp. Address: 94-025 Farrington Hwy Waipahu, HI 96797	5. Price: \$140,000
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6. Term of Contract: From: 05/15/09 To: 09/30/09	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: Aforementioned generators were built by Pacific Machinery Inc., which has since been acquired by Hawthorne Pacific Corporation, and they are in need of inspection and repair. Hawthorne still employs personnel that used to work for Pacific Machinery and is the company most familiar and knowledgeable with the original contract to build this equipment. Hawthorne is the only local vendor authorized by CAT to do such work. They are the only local company qualified to safely and thoroughly inspect and repair these units. Written communication received from CAT as proof of this, as well as copies of CAT's website pages indicating Hawthorne's local exclusivity are attached.

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

Should this request be approved, this procurement exemption will be posted on the SPO Procurement Recording System. Since the equipment (generators) will benefit the ADC's Kekaha Ag Lands, they will work closely with the Agricultural Resource Management Division engineering staff in reviewing the proposed scope of work and ensure that the costs are fair, reasonable and competitive.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
 For this exempted procurement, approval of the Department of Agriculture (DOA) Chair is required, upon recommendation of the ADC Executive Director.

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
Sandy Kunimoto	DOA Chairperson	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Alfredo Lee	ADC Executive Director	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Lynn Owan	ADC Administrative Svc Officer	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Matthew Rose	ADC Project Coordinator	<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: ADC Contact Name: Lynn Owan Phone Number: 586-0187 Fax Number: 586-0189
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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	4/29/09 Date
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Reserved for SPO Use Only	
	15. Date Notice Posted <u>5-1-09</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" style="margin-top: 20px;">Request is withdrawn by department with the determination that procurement for these services are exempt from Chapter 103D, HRS, pursuant to HAR Chapter 3-120, Exhibit A, Item No. 14.</p>	

16. APPROVED DISAPPROVED NO ACTION REQUIRED

 Chief Procurement Officer	7/23/09 Date
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