



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

09 JUL 29

WSP
STATE PROCUREMENT
STATE OF HAW.

1. TO: Chief Procurement Officer
2. FROM: Health/Adult Mental Health/Hawaii State Hospital (HSH) *m*

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:
Frozen foods, such as Beef, Pork, Turkey, Chicken, Fish, and Cheeses for the patients' meals.

<p>4. Name of Vendor: U. Okada & Co. Ltd., Palama Holdings LLC. Inc., Higa Meat & Pork Mkt, Ltd., KOHA Oriental Foods, Y. Hata & Co., Ltd</p> <p>Address: See Attached</p>	<p>5. Price: +\$45,000.00</p>
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<p>6. Term of Contract: From: <i>7/29/09</i> <i>KS</i> Upon Approval To: 06/30/10</p>	<p>7. Prior Exemption Ref. No. 08-146-C</p>
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8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State: HSH functions very differently from schools, and prisons. All patients have a diet ordered by their physician. New patients are admitted daily with new diet orders. Patient's diet orders also change during their hospital stay. Dietary Services Dept (DSD) prepares many special diets, such as low fat, pureed, vegetarian, low-salt, renal, diabetic, etc. It is impossible for DSD to forecast a six-month quantity for each item due to the daily changes in the patient census and physician ordered diets. DSD is often forced to accept too much of one item than not enough of another item of food in order to not waste food. DSD is then forced to change the menu resulting in not meeting the patients' nutritional needs according to the physician ordered diet. In addition, incentive snacks and special activities such as picnics and cookouts are ordered by the physician as part of the treatment plan. These treatment plans are constantly being revised according to the patient's progress, therefore 6 month advance planning is not feasible.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
DSD would like to select several vendors and have a continuous requisition the same way that produce purchases are being procured. As recommended by SPO, vendors will be notified quarterly on HePS as to quantities and product specifications to be solicited by RFQ, and will be selected based on best reasonable and responsible quotation. DSD believes that this will ensure maximum fairness to the vendors with open and competitive prices. This method will enable DSD to purchase exactly what quantities is needed without waste and result in patients receiving the appropriate diet. In addition, HSH will have a savings through competitive pricing.

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

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
 The monthly price lists will be kept on file for one year. Purchase orders are generated by the DS D and then processed and approved by the Business Office and Administration at HSH. Purchase orders are then sent to ASO and DAGS.

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	
Nena Harrington, R.D.	Dietitian V	<input checked="" type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Brian Watanabe	IFSM III	<input checked="" type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Joseph Buxton	Cook IV	<input checked="" type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Anthony Fraiola	Accountant III <i>Business Mgr</i>	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Elnora Guieb	Business Manager	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
William Elliott	Acting Administration	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration

13. Direct inquiries to: Department: Hawaii State Hospital/Food Service Department
 Contact Name: Nena Harrington, R.D.
 Phone Number: 236-8284
 Fax Number: 247-7335

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 

JUL 28 2009

Date

Reserved for SPO Use Only

15. Date Notice Posted 7/30/09

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:

Chief Procurement Officer
 State Procurement Office
 P.O. Box 119
 Honolulu, Hawaii 96810-0119

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

Chief Procurement Officer's comments:

This request is approved subject to the continuation of the Hawaii State Hospital's use of the Hawaii Electronic Procurement System (HePS) to purchase these food items on an as needed basis to meet the dietary needs of their patients. This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112, shall apply. Department is reminded that procurements \$2,500 or more are required to be posted on the Procurement Reporting System.

16.

APPROVED DISAPPROVED

Alan S. Fung 11/3/09
Chief Procurement Officer Date

Vendor Name and Address:

Higa Meat & Pork Market, Ltd.
225-2 N. Nimitz Hwy
Honolulu, HI 96817

KOHA Oriental Foods
500 Alakawa Street, Suite 104
Honolulu, HI 96817

Palama Holdings, LLC
Dba Palama Meat Company
2029 Lauwiliwili Street
Kapolei, HI 96707

U. Okada & Co., Ltd
1000 Queen Street
Honolulu, HI 96808

Y. Hata & Co., Ltd
P.O. Box 3770
Honolulu, HI 96812-3770