



09 JUL 29 P1:20

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

1. TO: Chief Procurement Officer
2. FROM: Department of Transportation

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:
The Hawaii Construction Career Days event is sponsored in part by the Federal Highway Administration (FHWA). The Hawaii Department of Transportation (DOT) receives funds from FHWA for the event. The vendor, Hawaii Construction Career Days, is a 501(c)(3) non-profit corporation and assists the DOT with the event. The non-profit does not receive a fee for assisting the DOT. The non-profit shall pay for allowable expenses and will seek reimbursement from the DOT, in accordance with OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments.

Melanie Martin, a DOT employee serves on the Board of Directors for the non-profit, however she does not serve in her official capacity as DOT's DBE Program Supervisor. This matter was reviewed by the State Ethics Commission and the Attorney General's Office.

4. Name of Vendor: Hawaii Construction Career Days Address: P.O. Box 235354 Honolulu, Hawaii 96823	5. Price: \$50,000
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6. Term of Contract: From: 07/15/09 To: 07/15/10	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:
The DOT receives federal funds for the Hawaii Construction Career Days event. However, the mechanism to pay for expenses is on a reimbursement basis only. Oftentimes, the vendors providing goods and services for the event require payment upfront, or within 30 days. It is sometimes difficult for vendors to be paid using federal funds. The non-profit corporation will pay for allowable expenses and seek reimbursement from DOT at a later date.
Although HRS 103D-310(c) and HAR 3-122-112 apply to this contract, the Hawaii Construction Career Days organization will not comply with sections relating to vendor compliance because it is not a for-profit entity conducting business in Hawaii.

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

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
The DOT's Office of Civil Rights is the lead office for the department on the event and will receive the appropriate documents (e.g. itemized list of items purchased, expenses, etc) from Hawaii Construction Career Days for reimbursement. The office will ensure appropriate purchases are made, per federal and state guideline requirements. The documents will then be scrutinized and processed through the appropriate office of the DOT for payment to Hawaii Construction Career Days.

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
Brennon T. Morioka	Director	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Jiro A. Sumada	Deputy Director	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Francis Paul Keeno	Deputy Director	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Rey Domingo	Civil Rights Manager	<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: Transportation Contact Name: Rey Domingo Phone Number: 587-5339 Fax Number: 587-2025
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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.*



7-23-09

Department Head

Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u>7/30/09</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">Request has been withdrawn by the department.</p>	

16. APPROVED DISAPPROVED NO ACTION REQUIRED



 Chief Procurement Officer Date 8/3/09