

**STATE PROCUREMENT OFFICE
NOTICE & REQUEST FOR SOLE SOURCE SEP 15 P12 58**

**ADMINISTRATION
STATE PROCUREMENT OFFICE
STATE OF HAWAII**

TO: Chief Procurement Officer
FROM: Department of Transportation, Harbors Division (DOT)
Name of Requesting Department

Pursuant to HRS §103D-306 and HAR chapter 3-122, Subchapter 9, the Department requests sole source approval to purchase the following:

1. Describe the goods, services, or construction to be procured.
The work consists of disposing the submerged fishing vessel the JUDY K. The Contractor will determine the method and means to deliver the 77' wood and fiberglass vessel, in part or whole, from its current location at Pier 16 in Honolulu Harbor, to Pier 20. From Pier 20, the vessel, in part or whole, will be deposited onto the Pier 20 yard and into the Oahu Harbor District's 30 cubic yard refuse containers. The Contractor's work commences when the US Army 7th Dive Detachment (who is performing the work as a training exercise - no cost to the State) extracts the boat from the state pier; an MOA between the US Army and DOT Harbors was provided by the US Army on 8 September. The Contractor will accept the vessel from the US Army 7th Dive Detachment and tow or lift the vessel onto a barge and transport the vessel to Pier 20. The Contractor will remove the vessel from the harbor by lift or bucket crane and place the vessel debris into 30 cubic yard refuse containers. DOT Harbors' Oahu Harbor District will dispose of the debris at its own cost.

2. Vendor/Contractor/Service Provider Name: Healy Tibbitts Builders, Inc. (HTBI)	3. Amount of Request: \$123,000.00
4. Term of contract (shall not exceed 12 months), if applicable: From: <u>17-Sep-15</u> To: <u>30-Sep-15</u>	5. Prior SPO-001, Sole Source (SS) No.: None

6. Describe in detail the following:

a. The unique features, characteristics, or capabilities of the goods, service or construction.
Healy Tibbitts has a barge crane that can lift the Judy K out of the ocean, place it on a barge, and lift the vessel from the barge with a bucket crane into the State's 30 cubic yard dumpster. It is the only known available barge crane on Oahu that can perform the required work. Currently Healy Tibbitts is using its barge crane to build the DOT's new Piers 12 through 15, and is available to extract (salvage) of the Judy K from the State pier 16.

b. How the unique features, characteristics or capabilities of the goods, service or construction are essential for the department
HTBI has the only known barge mounted crane that can lift the Judy K. The HTBI barge mounted crane is currently near Pier 16 constructing the DOT's new Piers 12-15. HTBI is available on the required dates following the removal of the sunken vessel from State pier 16. The Oahu Harbor District has explored different scopes of work. The best alternative and least risk to interfering with the Harbors Division's mission (to ensure the flow of commerce) is to lift the Judy K with a barge crane and remove the vessel from the ocean and place it into State owned containers. Other scope of work may require the vessel to be towed to a dry dock in Honolulu Harbor, however, the dry-docks currently have no openings for the foreseeable future. Towing the 77' wood and fiberglass vessel inside Honolulu Harbor risk's the sinking of the vessel and interfering with the fishing fleet operations should the Judy K's hull crack from the pressure of the tow. Towing the Judy K is a larger risk as the vessel may sink while undertow at the harbor entrance or in vital shipping lanes. Therefore the best alternative while minimizing the risks is to remove the Judy K with HTBI barge mounted crane.

DOT Request for Sole Source - HTBI

7. Describe the efforts and results in determining that this is the only vendor/contractor/service provider who can provide the goods, services or construction.

Despite pre-bid estimates, Harbors' attempted to procure disposal services through small purchase methods without success. In February 2015, a HiePro solicitation yielded bids from \$130,000 to \$190,000, all above small purchase limits. Harbors reduced the scope of work and re-solicited. The effort yielded one unresponsive bidder at \$160,000. With the addition of US Army Divers doing part of the salvage, a new scope of work was offered made to procure services that yielded one bidder - HTBI for \$123,000. The best alternative to remove the Judy K is by a barge mounted crane. HTBI barge has the only barge mounted crane. All facilities (i.e., drydocks) within the harbors are committed & unavailable and therefore did not submit bids

8. Alternate source. Describe the other possible sources for the goods, services, or construction that were investigated but did not meet the department's needs.

Various scope of work was explored. However, the scope of work to lift the boat with a barge crane and remove it without the need for a lengthy tow has the least risk to interfering with the flow of commerce. Drydock disposal facilities were an option, but the facilities have contracts with the US Navy, confirmed no openings on 8/31/2015, and therefore did not bid. A scope of work including towing the 77' wood & fiberglass boat inside or outside the harbor risks cracking the hull causing the vessel to sink potentially in the harbor, or worse the harbor entrance and to vital shipping lanes. Therefore the best alternative while minimizing the risks is removal via barge mounted crane. HTBI is the only known company with the barge mounted crane. HTBI is available on the required dates to work with US Army Divers.

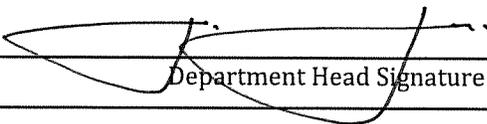
9. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required.)

*Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Agency	Phone Number	E-mail Address
Davis K. Yogi <i>KBW 9/14/15</i> <i>Tafw 9/14/15</i>	Harbors Division	587-1928	davis.k.yogi@hawaii.gov
<i>9/11/15</i>			

Department shall ensure adherence to applicable administrative and statutory requirements, including HAR chapter 3-122, Subchapter 15, Cost or Pricing Data if required.

**All requirements/approvals and internal controls for this expenditure is the responsibility of the department.
I certify that the information provided is to the best of my knowledge, true and correct.**



Department Head Signature

9.14.15
Date

For Chief Procurement Officer Use Only

Date Notice Posted: 9/15/2015

Submit written objection to this notice to issue a sole source contract within seven calendar days or as otherwise allowed from date notice posted to:

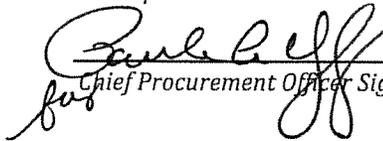
state.procurement.office@hawaii.gov

Chief Procurement Officer (CPO) Comments:

Request is returned with no action required as department has declined to withdraw their request for sole source and will resubmit form SPO-007, Notice and Request for Exemption from HRS Chapter 103D.

If there are any questions, please contact Stanton Mato at 586-0566 or email stanton.d.mato@hawaii.gov.

Approved Disapproved No Action Required

 9.22.2015
Chief Procurement Officer Signature Date