



STATE PROCUREMENT OFFICE
 NOTICE & REQUEST FOR SOLE SOURCE

TO: Chief Procurement Officer

FROM: DBEDT/NELHA
 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.
 NELHA is requesting approval to purchase a 16-inch Tee, approximately 90 feet of 16-inch water lateral pipeline and other permanent water pipeline materials (e.g., risers, valves, clean-out assembly, etc.) and have these installed and connected by Goodfellow Brothers Inc. (GFB) to a 16-inch water main that is currently being installed by them under contract with the State Department of Transportation Highways Division (DOT-H). This new water main is being installed as part DOT-H's construction and major improvements to Queen Kaahumanu Highway in Kailua Kona which began several months ago. See Attachment No. 1 for map of the project site (red circle) and the larger project area. A detailed list of permanent materials to be purchased is listed on Attachment No. 2.

2. Vendor/Contractor/Service Provider Name: Goodfellow Brothers Inc.	3. Amount of Request: \$45-50,000
4. Term of contract (shall not exceed 12 months), if applicable: From: Jan-16 To: Dec-16	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.
 The terms of the existing construction contract between GFB and DOT-H preclude any other contractor from entering the work-site, or performing any work on the new water main until completion of GFB's contract and conveyance of that improvement to the State. In performing the work now in conjunction with installation of the water main, significant savings in time and cost will benefit the State. In contrast, if the work were to be performed instead at some point in the future after GFB's highway work is completed, that project would likely entail on the order of four times the cost, and result in significant disruption West Hawaii community, as excavation into the newly finished Queen Kaahumanu Highway would be required to expose the water main and to retrofit the required installation

b. How the unique features, characteristics or capabilities of the goods, service or construction are essential for the department to accomplish its work.
 NELHA recently completed 100% design for the Kahilihili Street and Kaiminani Drive extension as shown by the double light blue line on Attachment No. 1. We intend to go out to bid and begin construction of these roads in the next few months. A part of this construction project will be to install a water lateral (dotted yellow line on Attachment No. 1) along the entire length of our new roadway and connect to the 16" water main (dashed blue line) currently being installed along Queen Kaahumanu Highway by GFB. We anticipate our project will be done within the next year and it is essential that water be available to new tenants.

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.
 Essential to the current proposed contract scope is the conjunction of timing of that work with the existing roadway construction

currently underway. Any delay, would ultimately eliminate any cost benefit the State, and also result in significant disruption to the West Hawaii community when that scope would otherwise be performed at some point in the future.

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.

Our initial approach, which began over 1 year ago, was to work with DOT-H and request them to complete a change order with their existing contract with GFB. NELHA would then JV the funds to DOT-H for payment. DOT-H verbally agreed to this process. Accordingly, we drafted a MOU based on a sample obtained from them and submitted it to DOT-H in February 2015 for signature. Despite repeated efforts in attempting to contact them, we are unable to get DOT-H to respond or execute the MOU. Given that work on this project several months ago, time is of the essence and we could possibly miss the current window of opportunity. The only course of action now available to NELHA for the procurement of this construction work is by sole-source contract.

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

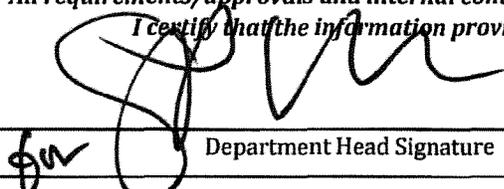
*Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Agency	Phone Number	E-mail Address
Gregory P Barbour	NELHA - Ex. Director	542-4622	gb@nelha.org
Laurence Sombardier	NELHA	327-9585 ext 244	laurences@nelha.org

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

12/18/15
Date

For Chief Procurement Officer Use Only

Date Notice Posted: 12-23-15

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:

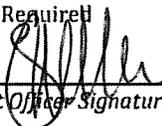
This request is disapproved as it does not meet the requirements of a sole source procurement pursuant to HAR section 3-122-81. Department shall utilize the appropriate method of procurement.

If there are any questions, please contact Bonnie Kahakui at 587-4702, or bonnie.a.kahakui@hawaii.gov.

Approved

Disapproved

No Action Required



Chief Procurement Officer Signature

1/19/16

Date



Queen Kaahumanu Highway
Phase 2
GBI Job No. 6720

Cost Proposal No. 6720-022
16" Tee and Water Main at NELHA

01/09/15

Paid Under Proposed Contract Change Order
(See Attached Cost Estimates)

Item No.	Description	Quantity	Unit	Unit Price	Total
1	Design and Design-Build Management	1	LS	\$ 7,105.00	\$ 7,105.00
2	Purchase Permanent Materials	1	LS	31,275.00	31,275.00
3	Install Permanent Materials	1	LS	13,464.00	13,464.00

Proposed Lump Sum Amount \$ 44,739.00

Terms and Conditions

1. Preliminary order of magnitude cost proposal based on GBI water systems control estimate unit costs for Queen Kaahumanu Highway Phase 2 project and sketch provided by Alex Leonard to Steve Bartholomew. Control estimate unit costs have been adjusted to account for cost escalation between 2011 and 2015. Cost proposal will be finalized with full documentation upon completion of design. Design phase may be performed separately at request of NELHA and/or HDOT.
2. Assumes work will be done by GBI in phase with mass grading and water line work performed on Queen Kaahumanu Highway Phase 2 contract commencing no later that 3rd quarter of 2015.
3. Proposal contingent on final design, mutually agreeable form of contract and mutually agreed schedule.

16" Tee at NELHA

Item Summary

Item
1 - Design and Design Build Management Cost for Plan Revisions and As-Builts

Quantity	Unit
1	LS

Operation	Estimated Direct Field Cost					
	Lab	Equip	Materials	Other	Subs	Total
1a - Design and D-B Management	\$ 960	\$ 96	\$ -	\$ -	\$ 4,572	\$ 5,628
Item Total Direct Field Cost	\$ 960	\$ 96	\$ -	\$ -	\$ 4,572	\$ 5,628

	Overhead and Profit	20.00%	1,126
	Subtotal		\$ 6,754
	GET Tax	4.167%	281
	Subtotal		\$ 7,035
	Bond	1.00%	70
	Total		\$ 7,105

16" Tee at NELHA

Item Detail

Item Detail

1a - Design and Design Build Management Cost for Plan Revisions and As-Builts

Quantity	Unit
1.00	LS

Description	Quantity	Unit	Unit Direct Cost						Estimated Direct Field Cost					
			Reference	Lab	Equip	Mat	Other	Sub	Lab	Equip	Material	Other	Subs	Total
GBI Design-Build Management	12.00	HR		80	8				960	96	0	0	0	1,056
Design Services (SSFM)	1.00	LS							0	0	0	0	4,572	4,572
									0	0	0	0	0	0
									0	0	0	0	0	0
Total Estimated Direct Field Cost									\$ 960	\$ 96	\$ -	\$ -	\$ 4,572	\$ 5,628

16" Tee at NELHA

Item Summary

Item
2 - Purchase Materials

Quantity	Unit
1	LS

Operation	Estimated Direct Field Cost					
	Lab	Equip	Materials	Other	Subs	Total
2A - Purchase Permanent Materials			\$ 21,541			\$ 21,541
Item Total Direct Field Cost	\$ -	\$ -	\$ 21,541	\$ -	\$ -	\$ 21,541

Adjust for Price Escalation 2011 - 2015 (Allowance - 15%)

3,231

Subtotal

\$ 24,772

Overhead and Profit 20.00%

4,954.00

Subtotal

\$ 29,726

GET Tax 4.167%

1,239

Subtotal

\$ 30,965

Bond 1.00%

310

Total

\$ 31,275

16" Tee at NELHA

Item Detail

Item Detail

2a - Purchase Materials

Quantity	Unit
1.00	LS

Description	Quantity	Unit	Unit Direct Cost						Estimated Direct Field Cost												
			Reference	Lab	Equip	Mat	Other	Sub	Lab	Equip	Material	Other	Subs	Total							
Import Borrow	331.00	CY	1.1.2			9.60				0	0	3,178	0	0	3,178						
Pipe Zone Bedding	49.00	TON	1.1			11.50				0	0	564	0	0	564						
Pipe Backfill	59.00	TON	1.1			11.50				0	0	679	0	0	679						
16" DI Pipe, CL 52, MJ	90	LF	1.1			35.00				0	0	3,150	0	0	3,150						
16" DI Pipe Accessories	9	LB	1.1			4.00				0	0	36	0	0	36						
Warning Tape	79	LF	1.1			0.05				0	0	4	0	0	4						
16"X16"X16" DI Tee, CL 52	1.00	EA	PLUG			2600				0	0	2,600	0	0	2,600						
Mega Lugs (Included)																					
16" BVF, 250 PSI, MJ	3.00	EA	1.2			2992				0	0	8,976	0	0	8,976						
12" Valve Box and Cover	3	EA	1.4			125				0	0	375	0	0	375						
8" DI Pipe Valve Box Risers	7	LF	1.8			22.00				0	0	154	0	0	154						
2" Clean Out Ass'y	1	EA	1.4			675				0	0	675	0	0	675						
16" DI End Cap, CIL 52, Tapped	1.00	EA	1.8			381				0	0	381	0	0	381						
Mega Lugs (Included)	1.00	EA																			
24" DI Man Hole Riser	3.00	LF	PLUG			45.00				0	0	135	0	0	135						
24" Standard MH Frame and Cover	1	EA	PLUG			500				0	0	500	0	0	500						
DWS 2500 PSI Concrete	1.00	CY	1.5			100				0	0	100	0	0	100						
Rebar	68.00	LB				0.50				0	0	34	0	0	34						
										0	0	0	0	0	0						
Total Estimated Direct Field Cost										\$	-	\$	-	\$	21,541	\$	-	\$	-	\$	21,541

16" Tee at NELHA

Item Summary

Item	Quantity	Unit
3 - Install Materials	1	LS

Operation	Estimated Direct Field Cost					
	Lab	Equip	Materials	Other	Subs	Total
3a - Install Materials	\$ 6,442	\$ 2,832	\$ -	\$ -	\$ -	\$ 9,274
Item Total Direct Field Cost	\$ 6,442	\$ 2,832	\$ -	\$ -	\$ -	\$ 9,274

Adjust for Price Escalation 2011 - 2015 (Allowance - 15%)					1,391
	Subtotal				\$ 10,665
		Overhead and Profit	20.00%		2,133
	Subtotal				\$ 12,798
		GET Tax	4.167%		533
	Subtotal				\$ 13,331
		Bond	1.00%		133
	Total				\$ 13,464

