



STATE PROCUREMENT OFFICE
NOTICE & REQUEST FOR SOLE SOURCE

Received by
State Procurement Office
05/03/2016

TO: Chief Procurement Officer
FROM: Dept. of Transportation, Highways Division, ROW Branch
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.
Costar Group is a full service commercial real estate database the provides verified sales, lease and listing comparable data.

Table with 2 columns and 2 rows. Row 1: Vendor/Contractor/Service Provider Name: Costar Realty Information Inc., Costar Group; Amount of Request: \$800 per month = \$9,600. Row 2: Term of contract (shall not exceed 12 months), if applicable: From: 1-May-16, To: 30-Apr-17; Prior SPO-001, Sole Source (SS) No.: N/A.

6. Describe in detail the following:
a. The unique features, characteristics, or capabilities of the goods, service or construction.
The vendor is the only company that supplies a database containing verified listing, sales and lease transaction data. They acquired Loopnet, a commercial listing database and thus have consolidated the major elements that real estate appraisers and brokers need in researching the market and performing analysis. Each member of the Appraisal Section will have an account and be able to login from their computer. The Costar sales rep indicates the \$800 per month fee is good till the end of the month and he will try credit us a month free if we can get an signed agreement in place by then.
b. How the unique features, characteristics or capabilities of the goods, service or construction are essential for the department
The Appraisal Section will greatly benefit from this service by reducing research time to verify sales and lease data with agents and brokers. Sometimes agents and brokers don't give priority to responding to inquiries from appraisers because they don't earn a commission from answering questions or verifying transactions for appraisers. Therefore, sometimes they do not respond or do not respond in a timely manner.

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.

One of the Right of Way Agents on staff in the Appraisal Section has used the service at another position in private sector and at a previous job at the Federal level. She indicates they are the only vendor which provides such a service. The Costar representative has also verified they are the only company that provides verified data of this nature.

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.

Listing data can be researched via MLS but this service does not provide verified sales information along with other pertinent facts surrounding the transaction which may affect the value. These factors may include sales concessions, easements or restrictions which may affect sales price, capitalization rates, income, expenses, and effective gross income multiplier. The MLS transactions are typically residential in nature. Commercial real estate brokers and appraisers use Loopnet and Costar. Appraisal Section would be at a disadvantage to not have this service for the commercial real estate transactions being acquired by DOT. Hawaii Information Service can provide sales transaction information that has been recorded with the Bureau of Conveyances but does not provide information on other factors behind the transaction which may affect value.

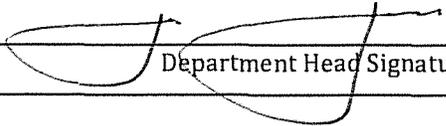
9. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required.)

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

Name	Division/Agency	Phone Number	E-mail Address
Cyrus Chen	DOT	692-7693	cyrus.cy.chen@hawaii.gov
Kirk Oshiro	DOT	692-7693	kirk.oshiro@hawaii.gov

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

6.3.16
_____ Date

For Chief Procurement Officer Use Only

Date Notice Posted: 05/04/2016

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:

Approval is granted for the solicitation process only and is based on the department's representation that Costar is the only company that provides a full service commercial real estate database that provides verified sales, lease, and listing comparable data. Pursuant to HRS §103D-310(c) and HAR §3-122-112, the procuring officer shall verify compliance (i.e. vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded, and the award is required to be posted on the Awards Reporting System. Copies of the compliance and the award posting are required to be documented in the procurement/contract file.

If there are any questions, please contact Stacey Kauleinamoku at 586-0571, or stacey.l.kauleinamoku@hawaii.gov.

Approved

Disapproved

No Action Required



Chief Procurement Officer Signature

5/17/16

Date