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STATE PROCUREMENT OFFICE
NOTICE & REQUEST FOR SOLE SOURCE

STATE PROCUREMENT OFFICE
STATE OF HAWAII

- 1. TO: Chief Procurement Officer
- 2. FROM: DBEDT/HTDC/HCATT
Department/Division/Agency

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

3. Description of goods, services, or construction:
 Repair of Hydrogenics fuel cell power module in a hybrid electric/fuel cell step van being demonstrated at Hickam Air Force Base. The original fuel cell system was purchased from Hydrogenics Corporation under Contract 52566. The fuel cell power module is beyond its original warranty period and needs repair in order to restore the hybrid vehicle to working condition for further demonstration. This is a research and development project using advanced technologies which is funded by the U.S. Air Force. No State funds will be expended. The original Notice and Request for Sole Source term expired before a contract could be executed due to a change in vendor name (a US branch was established; HCE certificates are in branch name). This request is to update the vendor name to the branch name and address and provide a new term of contract of the prior Request for Sole Source which was approved on 1/6/09.

4. Vendor Name: Hydrogenics USA Inc. Address: 27201 Tourney Road, Suite 201 Valencia, California 91355	5. Price: \$115,000.00
6. Term of Contract: From: 9 months from (mm/dd/yyyy) CPO approval To: _____	7. Prior Sole Source Ref No. 09-032-B

8. Feature: The good, service, or construction has the following unique features, characteristics, or capabilities:
 Hydrogenics Corporation is the original manufacturer of this fuel cell, and their fuel cell systems are patented. Each system contains proprietary information for its software and operating systems. The fuel cell system must be removed from the hybrid vehicle and shipped to Hydrogenics in Canada (the manufacturing address) for repair.

9. Essential features. How the unique features, characteristics, or capabilities are essential for the agency to accomplish its work:
 The hybrid electric/fuel cell step van must be in operating condition to fulfill a required demonstration period at Hickam Air Force Base. The repair will accomplish this, plus the repaired system will carry a new warranty upon its return to Hawaii. HTDC/HCATT provides vehicles for evaluation under direction and funding by the U.S. Air Force. The contractual obligation to the Air Force requires HTDC/HCATT to ensure all the vehicles are properly maintained and serviced.

11. Alternate source. The following other possible sources for the good, service, or construction were investigated but do not meet our needs because:

The only other source is to replace the entire fuel cell power module with a new module at a cost of \$250,000. There is no comparable commercial product available for substitute. To reduce costs, the Air Force has chosen repair vs. replacement.

12. Direct any inquiries to:

Department: DBEDT/HTDC/HCATT

Contact Name/Title: Thomas L. Quinn, Director, HCATT

13. Phone Number:

594-0100

Fax Number:

594-0102

Expenditure may be processed with a purchase order/p-Card: Yes No If no, a contract must be executed and funds certified.

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

14. I certify that the information provided above is to the best of my knowledge, true, correct and that the goods, services, or construction are available through only one source.



MAY 05 2009

Department Head Signature

Date

Reserved for SPO Use Only

15. Date Notice Posted: 5/11/09

Submit written objections to this notice to issue a sole source contract 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

16. Chief Procurement Officer's comments:

Sole source is approved based on agency's representation and manufacturer's verification that Hydrogenics USA is the only company that can repair the HyPM 65 kW fuel cell power module, due to proprietary hardware and software within the power module.

17.

APPROVED DISAPPROVED NO ACTION REQUIRED


Chief Procurement Officer

5/18/09
Date