



10 NOV -5 P1:43

# STATE PROCUREMENT OFFICE NOTICE & REQUEST FOR SOLE SOURCE

STATE PROCUREMENT OFFICE  
STATE OF HAWAII

- 1. TO: Chief Procurement Officer
- 2. FROM: Budget & Finance, Employees' Retirement System (ERS)  
Department/Division/Agency

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

3. Description of goods, services, or construction:  
see attached

4. Vendor Name: Vitech Systems Group, Inc. Address: 401 Park Avenue South New York, NY 10016		5. Price: \$ <u>381,850</u>
6. Term of Contract: (mm/dd/yyyy) From: <u>12/1/2010</u> To: <u>6/30/2011</u>	7. Prior Sole Source Ref No. <u>0</u>	

8. Feature: The good, service, or construction has the following unique features, characteristics, or capabilities:  
see attached

9. Essential features. How the unique features, characteristics, or capabilities are essential for the agency to accomplish its work: A contract for services will be conducted under the supervision of Wesley K. Machida, Administrator of the ERS. The ERS Board of Trustees has approved this request..

11. Alternate source. The following other possible sources for the good, service, or construction were investigated but do not meet our needs because: The ERS computer system known as V3 is a proprietary system that was implemented by Vitech.

12. Direct any inquiries to:  
Department: Employees' Retirement System  
Contact Name/Title: Wesley K. Machida

13 Phone Number:  
(808) 5861700  
Fax Number:  
(808) 5861677

Expenditure may be processed with a purchase order/pCard:  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.*

  
Department Head Signature

11/4/10

Date

**Reserved for CPO Use Only**

15 Date Notice Posted: 11/5/10

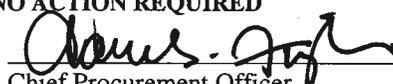
Submit written objections to this notice to issue a sole source contract within seven calendar days or as otherwise allowed from the above posted date to: Chief Procurement Officer  
State Procurement Office  
P.O. Box 119  
Honolulu, Hawaii 96810-0119

16. Chief Procurement Officer's comments:

Department has determined that this procurement is approved for sole source pursuant to HAR §3-122-81, #4. For this reason, this request is returned with no action required. As a reminder, HRS section 103D-310(c) and HAR section 3-122-112, shall apply and sole source contracts in excess of \$100,000 require cost or pricing data pursuant to HAR chapter 3-122, subchapter 15. This award is required to be posted on the Awards Reporting System.

The contact person on this request, Mr. Wesley Machida acknowledges that he does not have the applicable written delegated procurement authority, nor has he taken the appropriate mandatory procurement training. Procurements approved by the Procurement Policy Board are still subject to the procurement delegation and training requirements. Please be advised that Mr. Machida shall not participate in any procurement activities until he has received both written delegated procurement authority and has completed the appropriate mandatory procurement training requirements for the applicable procurement method, pursuant to Procurement Delegation No. 2010-01 and Procurement Circular No. 2010-05.

17.  APPROVED  DISAPPROVED  NO ACTION REQUIRED

  
Chief Procurement Officer

12/15/2010  
Date

**Vendor: Vitech Systems Group, Inc.**

**Attachment: Notice & Request for Sole Source**

**3. Description of goods, services or construction:**

Act 94, SLH 2010 establishes new requirements effective on July 1, 2011 to the schedule and method of the retirees and beneficiaries receiving pension benefits. Computer program changes would have to be made to the monthly payment cycle, which will include data updates, application logic updates and any deemed necessary changes to batches, reports, documents imports and exports. Appropriate specifications for development will be created followed by coding, testing and UAT.

**6. Term of Contract:** To include a six (6) month extension due to unforeseen circumstances that may arise as a result of these changes.

**8. Feature: The good, service, or construction has the following unique features, characteristics, or capabilities:**

Vitech could immediately implement the regulatory changes as it already contains all of the member data necessary to support the related changes. The ERS computer system known as V3 is a proprietary system that was implemented by Vitech.