



**STATE PROCUREMENT OFFICE
NOTICE OF AMENDMENT TO EXEMPTION FROM CHAPTER
103D, HRS, CONTRACT**

1. TO: Head of Purchasing Agency

2. FROM: Alice Hall

Department/Division/Agency

3. Name of Contractor: E-DOCS

4. P.E. Reference No. Ex: 05-018

5. Description of goods, services, or construction: Electronic document scanning and archival system

6. Scope of work for the contract is revised as follows:

Scope is not revised.

Original Contract Price: \$97,500

Amended Contract Price: \$No
change

7. Reason: This / These amendment(s) are necessary because:

Withdrawal of the exemption is appropriate since the exemption was not necessary. This was an action that was initiated prior to January 1, 2005, the date the procurement code became applicable to HHSC procurement.

8. Direct questions to: Alice Hall, Director of Contract
Management

Phone: 733-4168

Agency shall ensure adherence to applicable administrative and statutory requirements.

9. Pursuant to § 103D-102, HRS, and § 3-120-5, HAR, I certify that the
information provided above is, to the best of my knowledge, true and correct

Alice M Hall

3-23-06

Department Head

Date

Date Posted: _____

11. Submit written objections to this notice of intent to amend a procurement exemption contract within seven calendar days or
as otherwise allowed from the above posted date to:

Head of Purchasing Agency
HHSC
3675 Kilauea Ave.
Honolulu, HI 96816

Head of Purchasing Agency's Comments:

12. APPROVED DISAPPROVED

Head of Purchasing Agency

Date

13. P.E. No. _____

Apr-22-2005 11:28 From: HHSC PERSONNEL

8087334167

T-858 P.003/008 F-126

Apr-15-2005 11:07am From: KONA HOSPITAL

8083224488

T-826 P.002/004 F-488

EX 05-018
withdrawn

STATE OF HAWAII
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: Head of Procurement Agency

FROM: Ira F. Wilson

Pursuant to 103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

Description of goods, services, or construction:

E-Doct document scanning and archival system.

Name of Vendor: E-Doct

Cost: \$97,500.00

Address:

Term of Contract:

From: April 15, 2005

To:

Installation complete

Prior Exemption Ref No.

Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

This was an action started in 2004, therefore, it is exempt for 103D, in accordance with Terry Tomson's following statement (see Item 2, below):

CONFIDENTIAL AND PRIVILEGED

Kelley/AI:

1. In my professional opinion, the exercise of the contract option in HHSC's current contract for legal services with Davis Wright Tremain is consistent with Act 216 and in full compliance with the requirements of Ch. 103D, HRS. It is further my professional opinion that the exercise of the option is consistent with good purchasing practices, so long as the CEO, HHSC determines that the rates to be paid pursuant to the option are "fair and reasonable" as would be required in any purchase of professional services under HRS 103D-304.

2. My opinion is based upon the following considerations:

a. Ch. 103D does not apply to the exercise of this option.

As was agreed in our coordination with Aaron Fujikura, HHSC contracts that were advertised prior to January 1, 2005 would not be covered by Chapter 103D, HRS. This interpretation is consistent with the

Apr-22-2006 11:26 From:HHSC PERSONNEL

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T-658 P.004/008 F-128

Apr-15-2006 11:07am From:NONA HOSPITAL

8083284488

T-638 P.003/004 F-458

legislative requirements of 103D that were applied when Ch. 103D went into effect on July 1, 2004.

The relevant terms of Ch. 103D provide:

"(g) . . . , this chapter shall not apply to contracts by governmental bodies:

(1) Solicited or entered into before July 1, 1994, unless the parties agree to its application to a contract solicited or entered into prior to July 1, 1994;"

HRS 103D-102(b)

Section 47 of Act 216 (2004) provided only that the Act "shall take effect on January 1, 2005." Because the legislature did not include in Act 216 any specific language identifying which contracts were to be covered as a result of Act 216, Mr. Fajola, as Chief Procurement Officer, gave oral authorization and agreement with HHSC's determination to apply the same standards of application as the legislature applied when it first instituted Ch. 103D. Accordingly, Ch. 103D would not apply to HHSC contracts that were "solicited or entered into before" January 1, 2005.

Because the legal services contract here was "solicited or entered into before" January 1, 2005, Ch. 103D does not apply to it. Further, because the exercise of an "option" is the exercise of a legal contract right presently existing in the contract, this is not a new solicitation, and HHSC may properly exercise its right to exercise the option for continued legal services without instituting solicitation procedures under Ch. 103D.

Details of the process or procedure to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

See above attorney's opinion.

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

A description of the agency's internal control and approval requirements for the exempted procurement:

See above attorney's opinion.

Apr-22-2006 11:28

From-RHSG PERSONNEL

8087394167

T-658 P:005/008 P-128

Apr-15-2006 11:07am

From-KONA HOSPITAL

8083224488

T-658 P:004/004 P-488

<p>A list of agency personnel, by position title, who will be involved in the approval process and administration of the contract:</p> <p>Irae Nagasari, HIM Department Director Ed Haskelani, IT Manager</p>
<p>Direct questions to: Phone Number: Deborah Miller 808 322 6938</p>

This exemption should be considered for list of exemptions attached to Chapter 3-128, HAR Yes No

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS, TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT

Ira E. Walton Regional CEO

Department Head or Designee Date

Title

Chief Procurement Officer's Comments:

Understand that per terms of the grant we must spend \$ on EDoc

APPROVED DISAPPROVED

Date

Head of Procurement Agency