STATE PROCUREMENT OFFICE
NOTICE OF AND REQUEST FOR EXEMPTION
FROM CHAPTER 103D, HRS

1. TO: Head of Purchasing Agency  
2. FROM: Carolyn Bader

Department/Division/Agency

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

3. Description of goods, services or construction:

 Telephone Maintenance & Repair:
 - Year 1 - July 26, 2006 to July 25, 2007 - $27,964 plus GET = $29,130,
 - Year 2 - July 26, 2007 to July 25, 2008 - $28,524 plus GET = $29,712,
 - Year 3 - July 26, 2008 to July 25, 2009 - $29,094 plus GET = $30,007,
 - Year 4 - July 26, 2009 to July 25, 2010 - $29,676 plus GET = $30,913 = $120,062


4. Name of Vendor: Hawaiian Telcom
   Address: 1177 Bishop Street, A15, Honolulu, Hawaii 96813

5. Price: $120,062


7. Prior Exemption Ref. No. 0

8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:
   Beginning in early 2004, Verizon spent nearly a year designing and programming the new NEC telephone switch, based on the
   specifications of the MMMC users and administrators. In January 2005 Verizon Hawaii became Hawaiian Telcom. The
   current PBX system is supported under warranty that came with the original system installed in 2004 and MMMC wishes to
   purchase continued maintenance from Hawaiian Telcom under annual fixed fee (as shown above) through July 25, 2010.
   Hawaiian Telcom is very familiar with MMMC facility and with the new NEC system currently in place. Hawaiian Telcom
   serves as MMMC's single point of contact for trouble calls dealing with the MMMC telephone system. If a different company
   were contracted to perform the Maintenance & Repair, they may not be able to adequately or expeditiously support the entire
   system, since they did not install it and are not familiar with programming, etc.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition
   as practicable:
   Open and competitive competition is not practicable because MMMC will need Maintenance and Repair of the entire
   telephone system under one Contractor who is intimately familiar with the installation and programming of equipment for both
   the old part of the hospital and the new wing. Additionally, there may be warranty issues if the Maintenance and Repair are
   not performed by the same Contractor that installed the original equipment. Expeditious and accurate repairs to the hospital
   telephone system is of paramount importance, particularly during a natural disaster or other emergency situation.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
    The Exemption Request is reviewed by senior management of the facility, then forwarded to the Corporate Director of
    Contract Management (CDCM) for review. Any changes made by the CDCM and incorporated into the Exemption
    Request will be reviewed by the facility management. Once the facility management has approved the Exemption
    Request, it is submitted to the President & CEO of the Corporation for approval (if over $200,000 or if it covers more
    than one facility). (The smaller requests are approved by the CDCM).
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Involvement in Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wesley Lo</td>
<td>Regional Chief Executive Officer</td>
<td>☒ Approval ☐ Administration</td>
</tr>
<tr>
<td>Pat Saka</td>
<td>Regional Chief Financial Office</td>
<td>☒ Approval ☐ Administration</td>
</tr>
<tr>
<td>Carolyn Bader</td>
<td>Contract Manager</td>
<td>☐ Approval ☒ Administration</td>
</tr>
<tr>
<td>Gerald Matsui, Assit. Adm</td>
<td>Requestor of Action</td>
<td>☒ Approval ☐ Administration</td>
</tr>
</tbody>
</table>

Department: Contract Management
Contact Name: Carolyn Bader
Phone Number: (808) 442-5254
Fax Number: (808) 242-2539

13. Direct inquiries to:

14. This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR: YES ☐ NO ☐

Agency shall ensure adherence to applicable administrative and statutory requirements

15. I certify that the information provided above is, to the best of my knowledge, true and correct.

Department Head

Date: 2/15/06

16. Date Notice Posted: 2/15/06

The Head of the Purchasing Agency is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to: Head of Purchasing Agency
HHSC
3675 Kilauea Ave.
Honolulu, Hawaii 96816

Head of Purchasing Agency's comments:

17. ☐ APPROVED ☐ DISAPPROVED

Head of Purchasing Agency
Date: 02/23/06

SPO-07 (Rev. 09/30/2005)