

EX06-04



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

1. TO: Head of Purchasing Agency
2. FROM: Maui Memorial Medical Center

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:
Original Equipment Maintenance Agreement on the MR Eclipse Equipment purchased by Maui Memorial Medical Center.

4. Name of Vendor: Philips Medical System
Address: 6400 Oak Canyon, Suite 250, Irvine CA 92618

5. Price:
\$140,422.30

6. Term of Contract: From: 24 Months To:

7. Prior Exemption Ref No.

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State: MMMC purchases equipment from various vendors who are able to meet the very specialized needs of the health care industry. Based on the purchase of such equipment a standard warranty is usually included for a one year term, and often the vendor will offer an extended warranty or provide continued services after the expiration of the original agreement. Because time is of the essence in such situations as repair and maintenance the other methods of procurement would not be advantages for OEM services for equipment currently maintained. The standard procurement process would not be practicable for services on existing equipment for a extended maintenance agreement, an exemption would prevent a disruption in services, costly repair's while not under warranty, and patient safety all issues.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
The term of the exemption will be for a two (2) one(1) year period at which time the hospital will re-evalaute the equipment and the different options to determine if any other vendor could provide such maintenance services for the equipment at the hospital. Based on available information and research the best procurement practice will be completed .

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
This exemption shall be from HRS, Section 103-302 all other guidelines, rules and policies under Chapter 103D shall be upheld.
HHSC Polices and procedures will be followed and periodic reviews of contract action will be completed.

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:

Name	Position	Involvement in Process	
Alice Hall	Assistant General Counsel	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Wesley Lo	Chief Executive Officer	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Pat Saka	Chief Financial Officer	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Nancy Delima	Contract Manager	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration

13. Direct inquiries to: Department: Contract Manager
 Contact Name: Nancy Delima
 Phone Number: 808-573-1824
 Fax Number: 808-242-2773

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


2/21/06
 Date

16. Date Notice Posted 2-21-06

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 03/01/06