

EX 06-05



**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:

Please see attached list for Telephone Equipment that is needed for the new wing being constructed at MMMC, as well as for upgrades to the existing structure. The equipment shown on the attached list does not appear on the State Price List.

4. Name of Vendor: Hawaiian Telcom

Address: 1177 Bishop Street, A15, Honolulu, Hawaii 96813

5. Price:

\$135,538.58

6. Term of Contract:

From:

To:

7. Prior Exemption Ref. No.

-602

8. Explanation describing how procurement by competitive means is either not practicable nor 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 2005 and MMMC wishes to purchase continued maintenance from Hawaiian Telcom under annual fixed fee through July 2010. If a different company were contracted for equipment purchase and installation, there would be warranty and repair issues as result of attempting to interface two or more different company's equipment. Hawaiian Telcom would likely not be able to adequately or expeditiously support the entire system, if they did not install the original equipment. Expeditions and accurate repairs to the hospital telephone system is of paramount importance, particularly during a natural disaster or other emergency situation.

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

Open competition is not practicable because MMMC will need Maintenance 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 would likely be warranty issues if the maintenance and repair are not performed by the same Contractor that installed the original equipment.

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:		
Name	Position	Involvement in Process
Wesley Lo	Regional Chief Executive Officer	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Pat Saka <i>PS</i>	Regional Chief Financial Officer	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Carolyn Bader	Regional Contract Manager	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Gerald Matsui, Assist. Adm <i>GM</i>	Requestor of Action	<input checked="" 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 Management
 Contact Name: Carolyn Bader
 Phone Number: (808) 442-5254
 Fax Number: (808) 242-2539

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.

MS
for [unclear]

CRB/CSO

MAR 22 2006

3/24/06

Department Head

Date

16. Date Notice Posted 3/24/06

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

[Signature]
Head of Purchasing Agency

4/3/06
Date

Quote

Hawaiian Telcom

Quote # 8-2067KN
 Revision # 1
 Date 02/15/2006

Bill To:
 Maui Memorial Medical Center
 221 Mahalani St

Customer Ship To:
 Maui Memorial Medical Center
 221 Mahalani St.

Mailuku, HI 96793
 Attn: Accounts Payable

Mailuku, HI 96793
 Attn: Jeff Saito

Quote Date 02/15/2006	Project Engineer Evelyn Chung	NSE Evelyn Chung	CAM Kevin Uyeda
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Add 2 PIMS, Line Cards, Telsets, SpectraLink Base Stations

Part Number	Description	Qty	MLP	Ext MLP
107058935	BLOCK TERM 110 W/LEGS 300 PR/5 PR	5	\$55.22	\$276.10
11865-025-289	CABLE M W/SCREW LOCK-T CONNECTOR 25FT.	27	\$43.00	\$1,161.00
RCC400	Standard Base Station for all systems	8	\$1295.00	\$10,360.00
INS310	LINK WTS REMOTE EXPANSION COMMISSIONING	1	\$500.00	\$500.00
NT5C06CC	MPR25E MOD POWER RECTIFIER 25 AMPS	2	\$2698.00	\$5,396.00
NT5C10CC-1	MPS75 RECTIFIER SHELF	1	\$657.00	\$657.00
P0729847	SEPARATE CIRCUIT BREAKER KIT 30 AMP	2	\$100.00	\$200.00
SB-17-12 TG	RUNWAY CA., GREY TUBE 12IN W	3	\$71.90	\$215.70
SB-2113-12TG	KIT 12IN CABLE RACK WALL ANGLE SUPPT GR	3	\$17.40	\$52.20
SB-2101-A	JUNCTION KIT	3	\$0.00	\$0.00
0221405	NEC IPX MAT	1	\$250.00	\$250.00
200208	SPA-16LCEJ-B	1	\$1797.00	\$1,797.00
200219	SPA-24LCEV	3	\$2515.00	\$7,545.00
200261	SPZ-GT26	2	\$1650.00	\$3,300.00
200432	PH-CK16-A (PLO)	2	\$1300.00	\$2,600.00
201097	LC CA	1	\$315.00	\$315.00
201119	SML375 PIMJ-A	1	\$1700.00	\$1,700.00
201208	SPH-GT09	1	\$1200.00	\$1,200.00
201238	PH-PC36 (MUX)	3	\$820.00	\$2,460.00

PRICING IS VALID FOR ONLY 30 DAYS FROM QUOTE DATE
 PRICES INCLUDE INSTALLATION, TAXES, AND 12 MONTH WARRANTY
 Page 1

Quote

Hawaiian Telecom

Quote # 8-2067KN
 Revision # 1
 Date 02/15/2006

Part Number	Description	Qty	MLP	Ext MLP
201247	SPH-PC20 DLKK	2	\$883.00	\$1,766.00
201270	PH-PW14 (PWR SW)	1	\$424.00	\$424.00
201283	SP8-SW12 TSW-UA	4	\$4000.00	\$16,000.00
201298	PZ-M497 (RES)	4	\$200.00	\$800.00
201304	REAR COVER (A) ASSEM	1	\$82.00	\$82.00
201317	FRONT COVER (IPB) ASSEM	1	\$145.00	\$145.00
201320	EARTH PLATE (A) ASSEM	1	\$129.00	\$129.00
201360	PA-PW54-B	2	\$1001.00	\$2,002.00
201361	PA-PW55-B	1	\$751.00	\$751.00
201382	IMX I/F BRACKET (D)	1	\$38.00	\$38.00
201384	IMX I/F BRACKET (F)	1	\$41.00	\$41.00
201386	IP I/F BRACKET (A)	3	\$100.00	\$300.00
201387	IP I/F BRACKET (B)	1	\$80.00	\$80.00
201544	SPA-16ELCJB-H	11	\$3200.00	\$35,200.00
201666	SR1276 IPX CAU-B	1	\$210.00	\$210.00
201669	SR1276 IPX CAU-E	1	\$49.00	\$49.00
201677	SR1276 IPX CAU-H	1	\$2110.00	\$2,110.00
201693	34PH ISMM EXCLK CA-A	2	\$140.00	\$280.00
201760	34PH MT24 TSW CA-E	2	\$81.00	\$162.00
210276	CD 50-100 UNIV2400 GENERIC/CON	1	\$7000.00	\$7,000.00
210320	NEAX2400 6 PIM CONFIG OPTION	1	\$18942.00	\$18,942.00
210352	NETWORKING CONFIGURATION OPTIO	1	\$5000.00	\$5,000.00
210356	IACD-25 AGENT CONFIGURATION OP	1	\$8000.00	\$8,000.00
210369	INTERNAL OAI CONFIGURATION OPT	1	\$2000.00	\$2,000.00
210370	INTERNAL ACD CONFIGURATION OPT	1	\$0.00	\$0.00
221000	SN1734 CFRRS-A	2	\$7000.00	\$14,000.00
221002	IMG UNIV TOPU-B	1	\$989.00	\$989.00
221003	IMG UNIV SWITCH MG-A	1	\$11400.00	\$11,400.00

PRICING IS VALID FOR ONLY 30 DAYS FROM QUOTE DATE
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 Page 2

Quote

Hawaiian Telecom

Quote # 8-2067KN
 Revision # 1
 Date 02/15/2006
 Qty MLP Ext MLP

Part Number	Description	Qty	MLP	Ext MLP
221005	FRONT COVER (UNIA) ASSEM	8	\$180.00	\$1,440.00
244816	CCMX-ENTERPRISE MAT COMMANDS	1	\$150.00	\$150.00
780050	DTR-16D-2 (WH)	160	\$225.00	\$36,000.00
210375	MPX/IMX SOFT UPGRADE FEE UP TO	1	\$1000.00	\$1,000.00
770431	DESI NAME LABEL FOR WINDOWS SO	1	\$10.00	\$10.00
780421	DESI DT(X)-16D-1/IT(X)-16D-2/3	7	\$10.00	\$70.00

PRICING SUMMARY

TOTAL EQUIPMENT PRICE \$206,555.00
 LABOR CHARGES \$7,407.50
 DISCOUNTS -\$85,054.65
 SHIPPING & HANDLING \$1,210.01
 SUBTOTAL SYSTEMS PRICE \$130,117.87
 TAX 5,420.71
 TOTAL SYSTEMS PRICE \$135,538.58

This quote includes the following:

- 2ea PDMs as requested
- 1ea 16-port analog line card (16 ports)
- 3ea 24-port analog line cards (72 ports)
- 11ea 16-port digital line cards (176 ports)
- Release 18 SW Upgrade from R16
- 160ea Dtermi 16-button (white) digital telephones
- 8ea Spectralink Wireless base stations
- 2ea MPR25 Rectifiers/1 Dual Shelf upgrade
- 2ea 30 amp circuit breakers
- 3ea relay racks w/associated hardware to mount onto existing relay racks.
- Labor for tie cable installation
- System Migration Discount
- GORDON KAPES quoted separately on Quote # 8-1WAZX5
- Customer will be responsible to wire the base stations, but HT will install the base stations.