

EX 06-21



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

1 TO: Chief Procurement Officer
2 FROM: Ronald J. Schurra, East Hawaii Regional CEO

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:

Support services for Kodak imaging system and components, including all software/hardware, preventative maintenance and repair services necessary for maintaining optimal system operation.

4. Name of Vendor: Kodak Health Imaging
Address: 150 West Civic Center Drive, Suite 610
Sandy, Utah 84070

5. Price:
\$ 74,000.00

6. Term of Contract: From: 07/15/06 To: 07/14/07

7. Prior Exemption Ref. No.
N/A

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:

HMC Biomed Staff attempted to locate competitive vendors. They were unable to find any vendors possessing qualifications and the ability to adequately support the entire system including all hardware and software. There are also no identified vendors who possess Hawaii based service personnel which is essential to immediate response needs and in order to minimize system downtime. The Kodak imaging systems use only Kodak parts and Kodak proprietary software to function. Therefore, it is essential that Kodak maintain, repair and service this equipment.

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

Hawaii Health Systems can continue to monitor the market in an attempt to find appropriate competition for this vendor. Currently, it appears none exists, and we must maintain and service this system of equipment. In the event suitable competition is located, prior to any renewal of a current contract, HHSO can notify the vendor that a new competitive solicitation will be issued.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:

The Director of Contract Management reviews requests for exemptions for sufficiency prior to submission to the President and CEO for action.

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
Ronald J. Schurra	East Hawaii Reg. CEO	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Julie Rukstad	East Hawaii Reg. CFO	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Gary L. Callahan	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 Management
 Contact Name: Gary L. Callahan
 Phone Number: 808-933-2775
 Fax Number: 808-933-2793

Agency shall ensure adherence to applicable administrative and statutory requirements

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

[Signature] 7-5-06
 Department Head Date

Reserved for SPO Use Only

15. Date Notice Posted: 7-5-06

The Chief Procurement Officer 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:

Chief Procurement Officer
 State Procurement Office
 P.O. Box 119
 Honolulu, Hawaii 96810-0119

Chief Procurement Officer's comments:
I have signed this request for exemption in accordance with authority granted to me by Tom Driskell in his absence.
[Signature]

16. APPROVED DISAPPROVED 07/19/06
[Signature] Date
 Chief Procurement Officer