

EX 06-31



**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 Multi-Slice CT Scanner MX 8000/MX8000D purchased by Maui Memorial Medical Center. | |
| 4. Name of Vendor: Philips Medical System Address: 6400 Oak Canyon, Suite 250, Irvine CA 92618 | 5. Price: \$286,971.28 |
| 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. these specialized purchases require Technicians to be certified to perform services on equipment. All replacement parts can only be purchased through Philips Medical (Sole Source on parts) as used parts are not an option due to patients receiving radiation. To receive services directly from the vendor would be advantageous to HIISC on cost, repair time, and patient safety as only manufacturer replacement parts will be used. The standard procurement process would not be practicable for services on existing equipment for an extended maintenance, an exemption would allow for continued high quality care on existing equipment. | |
| 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) year period with an option to renew for an additional two (2) year term at which time the hospital will re-evaluate 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. HIISC Policies 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 | |
|--------------|-------------------------|--|--|
| Howard Ikeda | Director of Facilities | <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 |
| | | <input type="checkbox"/> Approval | <input 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

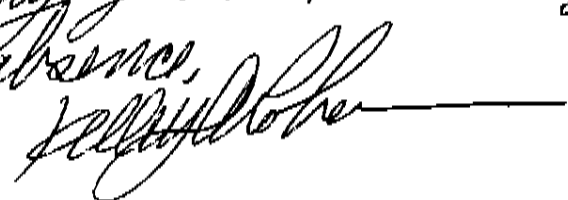
9/20/06
 Date

Reserved for CPO/Delegee Use Only


16. Date Notice Posted 9-26-06

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
 HHSJC
 3675 Kilauea Ave.
 Honolulu, Hawaii 96816

Head of Purchasing Agency's comments:

I have approved this exemption in accordance with authority granted to me by Tom Duskil in his absence.


17. APPROVED DISAPPROVED

Kelley C. Roberson

 Head of Purchasing Agency Date 10/02/06