

EX 07-007



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

1. TO: Chief Procurement Officer
2. FROM: Richard Ruiz, Leahi Hospital, X-ray Department

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:

<p>3. Description of goods, services or construction: Purchase of mobile radiographic system for Leahi Hospital, namely; GE AMX-4+S2000, x-ray portable machine ("Specialty medical equipment").</p>	
<p>4. Name of Vendor: GE Healthcare Address: 44-125 Nanamoana Street Kaneohe, HI 96744</p>	<p>5. Price: \$42,000.00</p>
<p>6. Term of Contract: From: N/A To:</p>	<p>7. Prior Exemption Ref. No.</p>
<p>8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State: The X-ray Technologist has requested for this particular piece of equipment, as based on personal experience, he has found this particular machine to be a more durable and reliable x-ray unit, as other State hospitals can attest, with their experience of it within their respective radiology department. Also major components are easily accessible for present and future acquisition should the need for it be necessary especially in the future. It can also be retrofitted for conversion into a Digital Radiography unit by GE Healthcare.</p>	
<p>9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: Other vendors were solicited however, the user has determined that they cannot meet the needs of the facility in obtaining fast and correct repairs to this vital equipment and that the "or equal" was not acceptable. GE Healthcare is a Medassets vendor. HHSC shall negotiate the scope of services and terms and conditions directly with GE Healthcare.</p>	

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

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 for his/her approval. The President & CEO of our Corporation approve request over \$500,000 or those converging more than one facility. The smaller requests can be approved by the director of contract management.

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	
Vincent Lee	Regional CEO	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Nathan Yim	Regional CFO	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Alice Hall	Director of Contract Mgmt	<input checked="" type="checkbox"/> Approval	<input 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: Leahi Hospital, X-ray Dept
 Contact Name: Richard Ruiz
 Phone Number: 733-7959
 Fax Number: 733-7942

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.*

Vincent Lee Department Head 2/26/07 Date

Reserved for SPO Use Only

16. Date Notice Posted 2-26-07

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

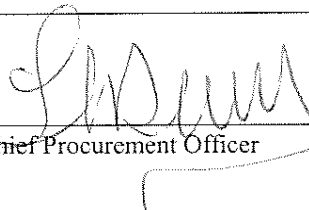
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

Chief Procurement Officer's comments:

17.

APPROVED

DISAPPROVED


Chief Procurement Officer

03/16/07
Date

FACT

IFB No. HHSC FY07-015 issued on 10/31/06 with closing of 11/28/06.

Two proposals were received.

1. GE Healthcare - \$41,447.70 (GE AMX-4+S2000, x-ray portable machine.)

GE's proposal was made IAW specifications presented in the IFB. However, GE made numerous exceptions to HHSC's general conditions outside of the date allowed for exceptions.

2. Hawaii Pacific X-Ray - \$31,500 (Shimadzu Mobile Art Plus.)

Hawaii Pacific X-ray offered the "or equal". However, Hawaii Pacific X-ray did not have the "or equal" reviewed and approved prior to them making an offer as stated in the IFB.

Technical Representative was asked to review both proposals and it was determined that GE Healthcare was the acceptable machine and the "or equal" was not acceptable.

However, based on the exceptions or offering of the "or equal" brand, which was not acceptable, it was determined to cancel the solicitation which is allowed by the IFB.

Bid package was sent to five (5) prospective bidders and the two listed above were the only ones that responded.