HAWAII HEALTH SYSTEMS CORPORATION
NOTICE OF AND REQUEST FOR EXEMPTION
FROM CHAPTER 103D, HRS

1. TO: Chief Procurement Officer
2. FROM: Earl Greenia

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:

Skilled short-term external clerical staff is needed for the Imaging department at Kona Community Hospital due to vacancies and terminations.

4. Name of Vendor: Altres Staffing
   Address: 74-5565 Luhia Street, #A-2
            Kailua Kona, HI 96740

5. Price:
   $26,000.00

6. Term of Contract:
   From: 02/04/08
   To: 08/03/08

   0

8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:

We currently have a Corporate contract 06-296 with Olsten Staffing and Office Team for temporary staffing services. Neither contractor has available temporary employees on the Big Island of Hawaii. The only local staffing agency with available temporary employees at this time is Altres Staffing. Competition is not advantageous to HHSC as this would only manage to shift the “total” island temporary staffing pool from one business to another, over a period of time (advertisement, interviewing). Altres Staffing has readily available staffing on the Big Island. Although this is not an emergency situation, time is a factor for KCH. Recent Patient and Physician satisfaction levels have been declining due to our inability to effectively and efficiently schedule exams in the Imaging department. Patients are going to other facilities for services. As a result, we are losing revenue and institutional reputation. Job postings have not been filled as we have been unable to attract skilled workers for these positions.

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 6 months. Kona Community Hospital will re-evaluate temp. services in West Hawaii and other possibilities to determine if any other staffing agency could provide the required hospital imaging department skilled services. Based on available information and research for skilled staffing in health care, the best procurement practice in accordance with 103D or applicable law then current will be completed and approved by the Kona Community Management Team listed in section 11 below with the assistance of the regional Contract Manager, to ensure maximum fair and open competition as practicable.
10. A description of the agency’s internal controls and approval requirements for the exempted procurement:

The Director of Imaging will work with Altres Staffing, interview potential candidates, manage the dates and time the temporary staff is needed. This short term employment will be managed for no more than a period of six months.
The Director of Imaging will continue to work with Human Resources to secure the full time clerk positions.

11. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Involvement in Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Don Lewis</td>
<td>Regional CEO</td>
<td>X Approval</td>
</tr>
<tr>
<td>Earl Greenia</td>
<td>Regional COO</td>
<td>X Approval</td>
</tr>
<tr>
<td>Melody Sullivan</td>
<td>KCH Director of Imaging</td>
<td>X Approval</td>
</tr>
<tr>
<td>Karen Sandrock</td>
<td>KCH HR Manager</td>
<td></td>
</tr>
</tbody>
</table>

12. Direct inquiries to:
   Department: KCH Contracts Department
   Contact Name: Robin Zehm
   Phone Number: 808-322-6970
   Fax Number: 808-322-6740

Agency shall ensure adherence to applicable administrative and statutory requirements

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

[Signature: Don Lewis]
Department Head (Print: Don Lewis)
2/1/08 Date

14. Date Notice Posted 2-8-08

The CPO 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 (7) calendar days or as otherwise allowed from the above posted date to: Chief Procurement Officer, HHSC, 3675 Kilauea Ave., Honolulu, Hawaii 96816

Chief Procurement Officer's comments:

15. [ ] APPROVED [ ] DISAPPROVED

[ ] NO ACTION REQUIRED

Chief Procurement Officer Date

HHSC PUR Policy 0017 Nov 2006 PUR 007