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

1. TO: Chief Procurement Officer
2. FROM: Lyle S Kobashigawa
   Department: Division: Agency
   Pursuant to §103D-102(b)(4), HRS, and Chapter 1-120, HAR, the Department requests a procurement exemption to purchase the following:

3. Description of goods, services or construction:

Water Treatment Service:
Vendor shall provide filtered water, maintenance service on owned and leased equipment, and be on-call 24 hour's. Vendor shall assure that all equipment is clean and repaired according to the FDA/ANSI/AAMI Standards.

4. Name of Vendor: Western Slope Water
   Address: 489 Ho'opalua Drive, Pukalani, HI 96738
5. Price: NTE $200,000
6. Prior Exemption Ref. No. 07-015
7. Term of Contract: From: date of signature To: One year, with one year renewal option.

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

It has been determined by the Hospital that Western Slope Water is the only vendor located on the Island of Maui who is registered and certified to FDA 501k/ANSI/AAMI Standards. The vendor currently provides 24-hour on-call service and maintenance on equipment owned and leased by the Hospital.

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. During the term of this exemption the hospital will conduct research to determined if other vendors who are certified and registered to FDA 501k/ANSI/AAMI Standards and able to provide 24-hour on-call service could provide these services. If the Hospital does make a determination that another vendor meets the above requirements an IFB or RFP would 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. HHSC Policies and procedures will be followed and periodic reviews of contract action will be completed.

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>Wesley Lo</td>
<td>Regional CEO</td>
<td>☒ Approval ☐ Administration</td>
</tr>
<tr>
<td>Patrick Seka</td>
<td>Regional COF</td>
<td>☐ Approval ☒ Administration</td>
</tr>
</tbody>
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12. Direct inquiries to:
   Department: Purchasing
   Contact Name: Andrew Alvarez
   Phone Number: 808-442-5212
   Fax Number: 808-242-2773

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]
Date: 3/20/09

14. Date Notice Posted: 3-22-09

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

[Signature] 02/29/08

[☐] NO ACTION REQUIRED

HHSC PUR Policy 0017  Nov 2006  PUR 007