

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

1. TO: Chief Procurement Officer  
2. FROM: HHSC/Contract Management

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:</p> <p>To provide all personnel, equipment and parts to perform preventative maintenance, hardware/software upgrades, and repair services according to manufacturers specifications for various imaging equipment Statewide.</p>	
<p>4. Name of Vendor: Hawaii Pacific X-Ray (HPX)</p> <p>Address: 3375 Koapaka Street #D140 Honolulu, Hawaii 96819-1871</p>	<p>5. Price:</p> <p style="text-align: center;">\$1,500,000 (Includes labor, travel, parts and shipping)</p>
<p>6. Term of Contract: From: November 7, 2009 To: November 6, 2011</p>	<p>7. Prior Exemption Ref. No.</p>
<p>8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:</p> <p>It is not practical to issue a Request for Proposal (RFP) and enter into Contract with a vendor by November 6, 2009. The RFP procurement process will take at least 90 days from drafting the RFP to an executed contract. Delaying the start of a new contract will greatly impact the health and safety of the services that HHSC provides. Continuing services with HPX is in the best interest of the State and the patients of HHSC.</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:</p> <p>The HHSC issued an RFP for imaging equipment maintenance services on February 28, 2007 and proposals were due on March 21, 2007. The solicitation notice was posted on the State Procurement Office website and only HPX responded. After negotiating the terms and conditions of the Contract, the HHSC entered into Contract with HPX. The HHSC determines that a new procurement would result in the same manner as in 2007 (one response) if issued again in 2009, furthermore, the HHSC viewed all registered vendors on the Hawaii Electronic Procurement System under Hospital and Medical Equipment, General, Maintenance and Repair and found four vendors. However, three of the four vendors did not service imaging equipment. Hawaii Pacific X-Ray Corporation was the remaining vendor that was listed under services imaging equipment. Another search in HePS under X-Ray Equipment Maintenance and Repair lists Hawaii Pacific X-Ray Corporation as the only vendor.</p>	

10. A description of the agency's internal controls and approval requirements for the exempted procurement:  
 This exemption shall be from HRS, Section 103D-303, and all other guidelines, rules and policies under Chapter 103D, HRS shall be upheld. HHSC policies and procedures will be followed and periodic reviews of contract action will be performed.

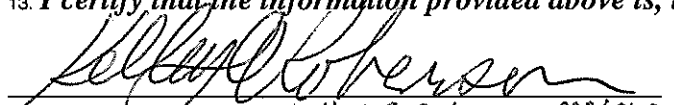
11. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:

Name	Position	Involvement in Process	
Kelley Roberson	HHSC CFO/COO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Joe Evanoff	Director of Contract & Materials Mgmt	<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

12. Direct inquiries to:  
 Department: Contracts Management  
 Contact Name: Michelle Kim  
 Phone Number: (808) 733-4024  
 Fax Number: (808) 733-4460

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.*

  
 Department Head (Print: Kelley C. Roberson, COO/CFO)

Date 10/19/09

Reserved for CPO/Delegee Use Only

14. Date Notice Posted \_\_\_\_\_

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

\_\_\_\_\_  
 Chief Procurement Officer Date

NO ACTION REQUIRED