

**THE JUDICIARY, STATE OF HAWAII
NOTICE OF TO EXEMPTION
FROM HRS CHAPTER 103D**

TO: Chief Procurement Officer

FROM: Judiciary Administration Capital Improvements Program (Joanne Krippaehne, contact)
Name of Requesting Division/Program

Pursuant to HRS § 103D ---102 (b)(4) and HAR Chapter 3---120, The Judiciary requests to amend an exemption for the following:

<p>1. Describe the goods, services or construction:</p> <p>Procure permit to install (3) air-cooled chillers - (2) 100T and (1) 60T jockey chiller - on Ali'iolani Hale. Work will include but may not be limited to design engineering as required by licensed mechanical and electrical engineers and production of permit set plans.</p> <p>This procurement would be followed by another to procure from the same vendor the installation of these chillers.</p>	
<p>2. Vendor/Contractor/Service Provider:</p> <p>Oahu Air Conditioning</p>	<p>3. Amount of Request:</p> <p>Not to exceed \$40,000</p>
<p>4. Term of Contract From: 10/01/2017 To: 06/30/2018</p>	<p>5. Prior Judiciary Procurement Exemption No. (if applicable): N/A</p>
<p>6. Explain in detail why it is not practicable or not advantageous for the Program/Division to procure by competitive means:</p> <p>Oahu Air Conditioning (OAC) has a contract with First Circuit to service and maintain, "in complete and satisfactory operations," the AC systems on Judiciary-operated buildings on Oahu, including Ali'iolani Hale. Their contract stipulates that they will "replace all worn, failed or doubtful components" with new that are "similar design and quality to maintain system integrity and serviceability." In event replacement is required, OAC will provide new parts (in our case system components) with those exceeding \$4000 to be paid for by Judiciary. One of the 100T chillers has failed, been out of service and must be replaced. The second 100T chiller is operating in a marginal condition, is no longer reliable and should be replaced because failure could happen at any time. The 60T jockey chiller is operating but nearly to the end of its useful service life and should also be replaced because it is currently being exercised at abnormal rates. Given that Oahu Air Conditioning is already under contract to service and maintain our systems as well as to provide replacement equipment at our costs, it is not practical or advantageous to procure replacement chillers by competitive means. Because Oahu Air Conditioning is responsible for maintaining our AC systems, it would likely create conflicts and finger pointing were we to bring in another vendor to provide new equipment and service equipment selectively and independently that must otherwise tie into our system and function properly. Oahu Air Conditioning has already been provided a PO to purchase the chillers. The work described in this exemption constitutes the next step - construction engineering, production of construction documents, and permitting - required to implement the chiller replacement project. A third exemption request will be developed to cover installation once the engineering and construction documents are complete.</p>	
<p>7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:</p> <p>Oahu Air Conditioning (OAC) submitted a competitive sealed bid, to "provide air conditioning and ventilation system maintenance service and chemical water treatment of air conditioning equipment at various Judiciary facilities on Oahu," that was accepted by The Judiciary as the lowest responsive and responsible bid based on criteria set forth in IFB No. J18030. Agreement was made and entered into as of 10th day of July, 2017. The IFB and agreement clearly state responsibilities for the company to replace system components on terms that apply to the chiller procurement.</p>	

8. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required).

*Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Program	Phone Number	email address
Joanne Krippaehne*	Admin/Policy and Planning/CIP	x4784	joanne.m.krippaehne@courts.hawaii.gov
Wayne Taniguchi	First Circuit/Facilities	x4348	wayne.s.taniguchi@courts.hawaii.gov
Terri Gearon	Administration/Fiscal	x5747	terri.l.gearon@courts.hawaii.gov

All requirements/approvals and internal controls for this expenditure is the responsibility of the Division/Program. I certify that the information provided above is, to the best of my knowledge, true and correct.

/s/ Wendell T. Mick

11/24/2017

Department/Division/Program Head Signature

Date

For Chief Procurement Officer Use Only

Date Notice Posted: _____

Inquiries about this request shall be directed to the contact named in Item 8. Submit written objection to this NOTICE OF EXEMPTION within seven (7) calendar days, or as otherwise allowed, from the Date Notice Posted to:

Chief Procurement Officer – The Judiciary
Financial Services Department
Contracts & Purchasing Office
1111 Alakea Street, 6th Floor
Honolulu, Hawaii 96813---2807

Chief Procurement Officer (CPO) Comments:

Approved

Disapproved

No Action Required

Chief Procurement Officer Signature

Date