

# THE JUDICIARY, STATE OF HAWAII

## NOTICE OF REQUEST FOR EXEMPTION

### FROM HRS CHAPTER 103D

TO: Chief Procurement Officer

FROM: Facilities Management/First Circuit  
*Name of Requesting Division/Program*

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

1. Describe the goods, services or construction: Purchase and install UV ballast and emitters in all Air Handler Units and Fan Coil Units at Ka`ahumanu Hale to improve air quality and health and safety of employees.	
2. Vendor/Contractor/Service Provider: Oahu Air Conditioning Service, Inc. 938 Kohou St. Honolulu, HI 96817	3. Amount of Request:  <div style="text-align: center; font-weight: bold;">\$177,000.00</div>
4. Term of Contract From: To: June 14, 2023 to June 14, 2024	5. Prior Judiciary Procurement Exemption No. (if applicable):
6. Explain in detail why it is not practicable or not advantageous for the Program/Division to procure by competitive means: Oahu Air conditioning (OAC) has a contract with First Circuit to service, equip and maintain "in complete and satisfactory operations," the AC systems at all Judiciary-related buildings on Oahu. Their contract stipulates that they will "replace all worn failed or doubtful components with new that are of "similar design and quality to maintain system integrity and serviceability". It is vital that our AC systems provide the cleanest pathogen free air. This became even clearer during the recent COVID pandemic when the AC system at Kapolei provided added protection to employees through the UV system provided with the AC system. This project will provide the employees at Ka`ahumanu the same level of air quality as provided at Kapolei. (See attached). Given the OAC is already under contract to service and maintain our systems as well as provide replacement equipment and upgrades at our cost, it is not practical or advantageous to procure or install changes to the system by competitive means. Because OAC is responsible for maintaining the AC systems, it would likely create conflicts and finger pointing were we to bring in another vendor to provide new or upgraded component parts and service equipment selectively and independently that must otherwise tie into our system and function properly. See attached for further details.	
7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider: Oahu Air conditioning (OAC) submitted a competitive sealed bid "to provide air conditioning and ventilation system maintenance and chemical water treatment of air conditioning equipment at various Judiciary facilities", that was accepted by the Judiciary as the lowest responsive and responsible bid based on the bid criteria. As such OAC would have to provide permission for any other vendor to put equipment into the system which would put the system at risk of not being able to be monitored for problems or be repaired in a timely fashion. See answer to 6 above for details.	

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
Dee Dee Letts	Deputy Chief Court Administrator	539-4351	deedee.d.letts@courts.hawaii.gov
Brian Lee	ACFO	539-4287	brian.w.lee@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/ Dee Dee Letts

Department/Division/Program Head Signature

4/26/2023

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 REQUEST FOR 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, 6<sup>th</sup> Floor  
Honolulu, Hawaii 96813-2807

Chief Procurement Officer (CPO) Comments:

☐

Approved

☐

Disapproved

☐

No Action Required

\_\_\_\_\_  
Chief Procurement Officer Signature

\_\_\_\_\_  
Date

All major air conditioning systems in the First Circuit reside at District Court, Circuit Court and Family Court. All of these system are under contract to Oahu Air Conditioning until June 30, 2024. This contract also includes and integrates the smaller rural courts.

Each system is tied to a remote monitoring and reporting system that connects through OAC to monitor and trouble shoot the systems functioning and equipment. OAC serves to integrate all hardware and control systems into these monitoring software systems to enable the systems to optimize their efficiency and quickly report any problems. If another company were given a contract to add a piece of equipment such as a pre- cooler (or any other item) to the system they would not be able to integrate this piece of equipment into the monitoring system without the permission of OAC. If OAC allowed this they would charge the other company a premium to join the system which would be passed on to us. They could also deny the request meaning the new piece of equipment would not be integrated and covered under the maintenance contract.

In the past we did have different vendors providing different equipment pieces this resulted in the system at Kapuaiwa going down and an ensuing fight between vendors as to whose responsibility it was to do the repair causing the building to be without AC for several months. The current system of placing everything under one contract and competitively bidding it every five years is a result of this as well as other situations. This contract has changed hands in this bidding process and will be open to competitive bidding in the future.

For this reason a decision was made to integrate the system with a single vendor. The result is the current contract with OAC which was awarded through a competitive bid process. If we were to again allow each replacement or new piece of equipment to be bid and integrated separately it would result in more expensive system that would not function efficiently and could have significant down time while a variety of vendors squabble over who is responsible for the repair. It could also result in a system some of which could be monitored remotely and other parts could not.

An example of why this integration is important played out in the current wind storm. During this recent storm the AC went out at CC. OAC was called and came to repair the system as I was wrapping up with them on exactly what caused the outage they received a remote monitoring signal from DC that there was a problem with their system and headed up to DC before we even had an official report of the problem.

This contract is procured every five years through an open competitive bid process that allows other vendors to bid on managing the entire system again as a single connected system.

It would be more expensive, less efficient and would most likely result in poorer service to all of our buildings should we not continue with an integrated system that went through open competitive bidding process every five years.