

## UNIVERSITY OF HAWAI'I NOTICE OF EXEMPTION CHAPTER 103D, HRS

The Chief Procurement Officer, University of Hawai'i, is in the process of reviewing the request from University of Hawaii at Manoa, Office of Intercollegiate Athletics (Department/Campus) for exemption from Chapter 103D, HRS, for the following goods and services:  
Uniform, apparel, and sport-specific equipment sponsorship agreement(s) for the University of Hawaii at Manoa, Office of Intercollegiate Athletics.

**Vendor/Contractor:** To be determined.  
(If known)  
**Address:**

<b>Term of Contract:</b> (If known)	From: July 2025	To: June 2030	Cost: \$6,000,000.00 over five years (est.)
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<b>Direct any inquiries to:</b> Department: University of Hawaii at Manoa, Office of Intercollegiate Athletics Contact Name/Title: Jim Stein, Assistant Athletics Director, Administrative Services Address: 1337 Lower Campus Road Honolulu, Hawaii 96822	Phone Number: (808) 956-2637  Fax Number: (808) 956-4637
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Date Posted: August 22, 2024

Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven (7) calendar days from the date posted to:

Office of Procurement Management  
1400 Lower Campus Road, Room 15  
Honolulu, Hawai'i 96822  
email: OPM@hawaii.edu

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**UNIVERSITY OF HAWAII**  
**REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS**

**To:** Kalbert K. Young, Vice President for Budget & Finance/CFO      **Date:** August 20, 2024  
Chief Procurement Officer, University of Hawai'i

**Via:** Office of Procurement Management

**From:** University of Hawaii at Manoa, Department of Intercollegiate Athletics  
(Campus & Department/Program)

**Vendor/Contractor:** To be determined

**Estimated Amount:** \$6,000,000.00 over 5 years (estimated)

**Term of Contract, if applicable:** July 2025 through June 2030

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Pursuant to University Administrative Procedure 8.220, and consistent with Hawaii Revised Statutes §103D-102(b)(4) and Hawaii Administrative Rules Chapter 3-120, the department requests a procurement exemption to purchase the following (attach additional sheets if necessary):

1. Description of the goods or services:

See attached.

2. Explain in detail, why it is not practicable or not advantageous for the University to procure by standard competitive means when multiple sources are available, or by other standard methods of source selection:

See attached.

3. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor:

See attached.

4. Provide a description of the department's internal controls and approval requirements for the exempt procurement:

See attached.

5. Provide a list of department personnel, by position title, who will be involved in the approval process and administration of the contract:

See attached.

6. Direct questions to: Jim Stein Email Address: jsrtein@hawaii.edu

**Certification:** I certify that the information provided herein is true and correct to the best of my knowledge.

Jim Stein, Asst. AD for Administrative Services  
Full Name of Principal Investigator, Department Head, or Administrator

Jim Stein 8/20/24  
Signature Date

Tiffany Kuraoka, Asst. AD for Business Op.  
Full Name of Fiscal Administrator

Tiffany Kuraoka Digitally signed by Tiffany Kuraoka  
Signature Date: 2024.08.20 10:35:33 -10'00'

APPROVED:

Sandy French, Chief Business Officer, UHM  
Full Name of Vice President or Chancellor

Alexandra French Digitally signed by Alexandra French  
Signature Date: 2024.08.21 08:51:47 -10'00'

FOR OPM USE ONLY

OPM COMMENTS:

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APPROVED  DENIED

Sandy French  
CHIEF PROCUREMENT OFFICER, UNIVERSITY OF HAWAII

Sept. 5, 2024  
DATE

**REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS  
UNIFORM/APPAREL/EQUIPMENT SPONSORSHIP AGREEMENTS  
UNIVERSITY OF HAWAII AT MANOA, OFFICE OF INTERCOLLEGIATE ATHLETICS**

**1. Description of the goods or services:**

The University of Hawai'i at Mānoa Athletics Department ("UHMAD") is requesting an exemption from Chapter §103D, Hawai'i Revised Statutes, to solicit offers and enter into an agreement or agreements for uniform, apparel, and sport-specific equipment sponsorship agreements for its athletics programs. The resulting agreement or agreements will cover a comprehensive range of products, including but not limited to: sport uniforms (i.e., custom team uniforms for various sport programs), apparel (e.g., training gear, travel attire, coaching staff uniforms, staff uniforms, and fan apparel), and sport specific equipment (e.g., baseball equipment, swimwear, etc.).

**2. Explain in detail, why it is not practicable or nor advantageous for the University to procure by standard competitive means when multiple sources are available, or by other standard methods of source selection:**

UHMAD finds it impracticable to utilize standard competitive procurement methods for sports equipment manufacturers for sponsorship and outfitting programs for the University's athletic teams, for the following reasons:

- A) Manufacturer Requirements Diversity. Sports apparel and equipment manufacturers do not adhere to a common set of requirements typical of advertised procurement solicitations. Sports apparel and equipment manufacturers operate within highly specialized markets, each with distinct technologies and philosophies.

Different manufacturers will offer unique proposals tailored to specific sports teams or will offer unique proposals based on the size of an athletic department and the sports program offerings of an athletic department.

In addition, different sports require different types of apparel and equipment, each with unique specifications, materials, and designs. Manufacturers frequently introduce new technologies, broader supply chains, and product lines that are not easily comparable through standardized procurement methods. These innovations can offer significant performance enhancement and branding advantages, which are critical in college athletics.

All of the factors mentioned above make it difficult and nearly impossible to establish a standard set of specifications and requirements needed for a standard competitive solicitation.

- B) Tailored Pricing and Contract Terms. Solicitation of offers from different manufacturers allows for informal negotiations which will result in customized pricing and contract terms that better fit the specific needs of multiple sports programs or individual sports teams. This approach is more advantageous compared to a one-size-fits-all competitive bid process. Manufacturers can offer proposals that are more specifically tailored to meet UHMAD's needs, including apparel designs, unique equipment/apparel offerings, and tailored support services. Direct negotiations also allow for better pricing, as manufacturers may offer: discounts, bulk purchase deals, bench mark purchasing incentives, and/or additional benefits such as free promotional gear allocations.

Standard procurement processes often have very specific terms which may not cater to UHMAD's specific sponsorship needs. Custom negotiations will allow for the inclusion of clauses that cover aspects like incentives, branding rights, and additional support mechanisms for UHMAD programs.

- C) Feedback Integration. Solicitation of offers from manufacturers enables the University to receive feedback and tailored solutions that best meet the specific needs of UHMAD. This flexibility and adaptability are crucial for optimized sports performance, branding, and securing pricing and contract terms competitive with industry standards. Standard procurement methods do not allow for the same level of rapid adaptation, responsiveness, and ongoing benchmarking to ensure the best possible offer is secured.

**3. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor:**

UHMAD will solicit and consider proposals from major sports apparel and equipment providers, such as adidas, Nike, Under Armour, New Balance, Wilson, Easton, Arena, TYR, and third-party distributors such as BSN on behalf of Nike.

The process will also include the flexibility to enter into a single sponsorship agreement that supports the entire department and all sports, or multiple sponsorship agreements with various sponsors if a single sponsorship agreement cannot meet the needs of all sports.

The selection process will include the following considerations:

- A) Promotional Product Allocation. Dollar value and quantity of promotional products offered as part of the sponsorship agreement to off-set costs for UHMAD.
- B) Discounts. Wholesale pricing and other discount arrangements, taking into consideration the net cost to UHMAD for the purchase of additional products required by UHMAD that are not covered by the product allocation.
- C) Transition Allocation. Support and resources provided for transitioning to a new apparel/equipment provider to ensure a cost effective and smooth transition.
- D) Branding Opportunities. Branding and marketing support, including promotional activities and alignment with the branding goals for UHMAD.
- E) Achievement Product Allocation. Looks at incentives and rewards proposed for athletic achievements, such as bonuses for championship appearances or coach of the year.

All proposals will be reviewed by the five sport administrators (four executive employees and the Assistant Athletics Director for Administrative Services) and our Assistant Athletics Director for Business Operations. The various athletic coaches may be included as appropriate.

The proposal(s) with the most favorable terms will be chosen based on the following criteria: cost to UHMAD, the amount of product allotment, transition allocation/resources (if applicable), branding, and other factors presented.

This approach will allow for better pricing and contract terms, tailored solutions to fit the needs of the multiple sports programs, and direct feedback to best meet the overall needs of UHM Athletics.

**4. Provide a description of the department's internal controls and approval requirements for the exempt procurement:**

UHMAD's internal controls for this request for exemption includes the following:

- A) Proposal Review and Evaluation. All proposals will be thoroughly reviewed and evaluated based on the criteria outlined above and other factors presented by manufacturers.
- B) Documentation and Transparency. All stages of the procurement process will be documented to ensure transparency and accountability.
- C) Agreement Review. The proposed agreement(s) for the selected sports apparel and equipment provider(s) will be reviewed by the Office of the Vice President for Legal Affairs and University General Counsel and the Office of Procurement Management.
- D) Purchase Approvals. A sport administrator (i.e., executive employee or the Assistant Athletics Director for Administrative Services) and the Assistant Athletics Director for Business Operations, will review and approve every purchase requisition.

**5. Provide a list of department personnel, by position title, who will be involved in the approval process and administration of the contract.**

Craig Angelos, Athletics Director  
Lois Manin, Associate Athletics Director, Internal Operations  
Vince Baldemor, Associate Athletics Director, External Operations  
Tiffany Kuraoka, Assistant Athletics Director for Business Operations  
Jim Stein, Assistant Athletics Director for Administrative Services  
Office of the Vice President for Legal Affairs and University General Counsel  
Office of Procurement Management.