UNIVERSITY OF HAWAII
NOTICE OF EXEMPTION FROM STANDARD METHODS OF SOURCE SELECTION

The Vice President for Budget and Finance/Chief Financial Officer, University of Hawaii, is in the process of reviewing the request from Office of Capital Improvements (Department/Campus) for exemption from Standard Methods of Source Selection for the following goods, services, or construction:

Renovation of Campus Center second floor for a Starbucks coffee shop to be operated by UH Manoa Campus Center as part of its food service operations.

Vendor: Honolulu Builders
(If known)
Address: 800 Bethel Street, Suite 401
Honolulu, Hawaii 96813

Term of Contract: From: --------- To: --------- Cost: $618,990.31 (est.)
(if known)

Direct any inquiries to:
Department: Office of Capital Improvements Phone Number:
Contact Name/Title: Bruce Teramoto, Architect and Project Manager 956-7935
Address: 1960 East West Road, Biomed, B-102, Honolulu, HI 96822 Fax Number:
956-3175

Date Posted: January 4, 2012

Submit written objections to this notice to issue an exemption from Standard Methods of Source Selection, within seven (7) calendar days from the date posted to:

Office of Procurement and Real Property Management
1400 Lower Campus Road, Room 15
Honolulu, Hawaii 96822
REQUEST FOR EXEMPTION FROM STANDARD METHODS OF SOURCE SELECTION

TO: OFFICE OF PROCUREMENT AND REAL PROPERTY MANAGEMENT

FROM: Office of Capital Improvements, University of Hawaii System

(Participant/Program)

Pursuant to APM Section A8.220, the Department requests a procurement exemption to purchase the following:

Description of goods, services, or construction:
See attached.

Estimated Cost: $ 618,990.31

(1) Explanation describing how procurement by standard competitive means is either not practicable or not advantageous to the University;
See attached.

(2) Details of the process or procedures to be followed in selecting the vendor to ensure as fair and open competition as practicable;
See attached.
A description of the Department's internal controls and approval requirements for the exempted procurement; and

The contractor's cost proposals will be reviewed by the University's design team and construction management team, as well as the Office of Capital Improvements, to ensure accountability and cost reasonableness. In addition, the University's food service contractor provided consultation on proposed construction costs as part of its oversight of new food service offerings at the UHM Campus Center.

A list of Department personnel, by position title, who will be involved in the approval process and administration of the contract:

Bruce Teramoto - Office of Capital Improvements
Maynard Young - Office of Capital Improvements
Brian Minai - Associate Vice President for Capital Improvements
Jill Shigano - Administrative Officer, Student Life & Development
Howard Todo - Vice President for Budget & Finance / CFO

Direct questions to: Bruce Teramoto Phone: 956-4800

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT.

Maynard Young
Full Name of Principal Investigator, Department Head, or Administrator

Jill Shigano
Full Name of Fiscal Officer

APPROVED:
Brian Minai, Assoc. VP
Full Name of Vice President or Chancellor

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OPRPM COMMENTS:
Recommend approval.

☑ APPROVED     ☐ DENIED

VICE PRESIDENT FOR BUDGET & FINANCE/CHIEF FINANCIAL OFFICER, UNIVERSITY OF HAWAII DATE

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Description of goods, services, or construction:

The scope of the Campus Center Renovation and Expansion Phase IIB project was intended to include a renovation of Campus Center 2nd floor space for a Starbucks coffee shop to be operated by the UH Manoa Campus Center as part of its food service operations. The Office of Capital Improvements did not receive design requirements for the coffee shop in time to be included as part of the original technical specifications and plans for the invitation for bids for the project which was issued to meet the deadline for encumbrance of lapping funds. A procurement exemption is requested to complete the renovation of the space for the coffee shop as part of the Phase IIB project. The scope of work includes selective demolition, drywall partitions, installation of casework, doors, windows, aluminum storefront, acoustical ceilings, flooring, painting, air conditioning, plumbing, fire alarm systems, electrical, lighting fixtures, and telecommunications work.

(1) Explanation describing how procurement by standard competitive means is either not practicable or not advantageous to the University:

The Phase IIB project uses all available staging areas around Campus Center and precludes the use of a separate contractor for the renovation of the coffee shop space until Phase IIB is completed, which is currently scheduled for December 2012. There will be a loss of service revenue if this part of the project is delayed until after construction of Phase IIB. Anticipated delays would be at least 14 months. In addition, the renovation work involves under-floor utilities and will impact the existing Bookstore, which is located at the 1st floor below the coffee shop space. Work started now can be coordinated with renovations that are currently in progress at the Bookstore below. Delaying this renovation will cost the University additional funds as Bookstore renovations will need to be re-coordinated or redone. Moreover, the coffee shop will feature casework utilizing salvaged wood from the ficus comosa tree that was removed to prepare for Phase IIB. The stored wood (the tree was removed in 2010) may deteriorate should this part of the project be delayed.

(2) Details of the process or procedures to be followed in selecting the vendor to ensure as fair and open competition as practicable:

A reasonable cost for this additional renovation work has been negotiated with the current general contractor for Phase IIB, Honolulu Builders, LLC. The current contractor submitted breakdowns of all costs, including subcontractor costs, using the University’s pre-approved rates for overhead, profit, and other markups.