

**UNIVERSITY OF HAWAII
NOTICE OF EXEMPTION FROM CHAPTER 103D, HRS**

The President, University of Hawaii, is in the process of reviewing the request from Honolulu Community College _____ (Department/Campus) for exemption from Chapter 103D, HRS, for the following goods, services, or construction:
Provide flight training services to students enrolled at Honolulu Community College in its Commercial Aviation degree program at Kalaeloa Airport, Honolulu, Hawaii.

Vendor: Guidance Academy, LLC
(If known) 6565 Crystal Lane
Address: Prescott, Arizona 86301

Term of Contract: (If known)	From: August 20, 2012	To: August 19, 2015	Cost: \$225,000.00
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Direct any inquiries to: Department: Honolulu Community College Contact Name/Title: Michael Barros, Interim Dean, Tech 1 Address: 874 Dillingham Boulevard Honolulu, Hawaii 96817	Phone Number: (808) 845-9229 Fax Number: (808) 845-9173
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Date Posted: August 9, 2012

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 and Real Property Management
1339 Lower Campus Road
Honolulu, Hawai'i 96822

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: OFFICE OF PROCUREMENT AND REAL PROPERTY MANAGEMENT

FROM: Brian K. Furuto, Interim Vice Chancellor for Administrative Services, Honolulu Community College
(Department/Program)

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

Description of goods, services, or construction:

Flight training agreement with Guidance Academy, LLC to provide flight training services to students enrolled at Honolulu Community College in its Commercial Aviation degree program at Kalaeloa Airport, Hawaii for the period commencing on August 20, 2012 through August 19, 2015. (Continued on the attached.)

Estimated Cost: \$ 225,000.00

(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.)

(3) A description of the Department's internal controls and approval requirements for the exempted procurement; and

This request was developed with consultation from the Vice President for Community Colleges, Associate Vice President for Community Colleges, and the Chancellor of Honolulu Community College. It was agreed that Honolulu Community College should pursue this agreement because of the benefits to Honolulu Community College and the students in the Commercial Aviation degree program.

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

- Erika Lacro, Chancellor, Honolulu Community College
- Brian K. Furuto, Interim Vice Chancellor of Administrative Services
- Michael Barros, Interim Dean, TECH 1
- Derek Inafuku, Fiscal Authority, Honolulu Community College
- Peter Forman, Commercial Aviation Program Coordinator

Direct questions to: Brian K. Furuto Phone: (808) 845-9123

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

Michael Barros, Interim Dean, TECH 1,
Honolulu Community College

Full Name of Principal Investigator, Department Head, or Administrator



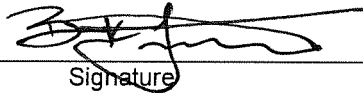
Signature

8/8/12

Date

Brian Furuto, Interim VC Admin Services, Honolulu Community College

Full Name of Fiscal Officer



Signature

8/8/12

Date

APPROVED:

Erika Lacro, Chancellor, Honolulu Community College

Full Name of Vice President or Chancellor



Signature

8-8-12

Date

FOR OPRPM USE ONLY

OPRPM COMMENTS:

____ APPROVED ____ DENIED

PRESIDENT, UNIVERSITY OF HAWAII

DATE

Description of goods, services, or construction: (continued)

Produce and implement academic and pilot ground school classes required under the FAA FAR Part 61/141 certification and HCC's academic accreditation standards. Conduct collegiate and ab initio and customized aircraft specific flight training curricula for commercial pilot training under FAA certified programs, including supervising FAA flight training records, documentation grading and criteria using record-keeping software in accordance with FAA directives. Provide aircraft, FAA approved flight training devices, simulators and services sufficient to accommodate projected Honolulu Community College (HCC) student enrollment for each program. Provide certified flight instructors that are properly licensed and qualified to meet FAA FAR Part 61/141.

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

The previous flight training provider did not adequately meet the needs of Honolulu Community College students in its Commercial Aviation degree program, thereby necessitating termination of these services. With the termination of the previous flight training provider's contract so close to the beginning of the upcoming semester, there is now an immediate and critical need to replace this provider in time for the Fall 2012 (August 20, 2012) term. Honolulu Community College is compelled to provide flight training services to its students in this unusual situation and must select and institute a new flight training provider without delay.

Because of the unique requirements in conducting an aviation degree program in a University setting, and the limited number of providers, the Invitation for Bids Process and Request for Proposals process would not be practical to meet this requirement in timely manner.

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

The needs of the students of the Commercial Aviation degree program are of paramount importance to Honolulu Community College. Since a collegiate flight training program is complex and detailed, it is essential that a replacement flight training provider have the following unique characteristics to meet the operational requirements of Honolulu Community College:

- A) Only provide flight training for the UH system and not compete for students against the UH system. In the State of Hawaii, the flight training provider must agree not to offer any flight training outside the UH system;

- B) Have significant experience (5 years or more) providing aircraft flight and/or aircraft ground training for both two-year and four-year colleges;
- C) Have management personnel with significant (10 plus years) collegiate aviation experience. At least one such personnel must be on-site on a daily basis to ensure collegiate academic rigor and effectiveness;
- D) Have demonstrated collegiate flight course pass rates and degree completion rates (as a collegiate flight training provider);
- E) Have personnel with demonstrated capabilities in assisting flight students with financial aid within Title IV guidelines;
- F) Be approved by the Federal Aviation Administration (FAA) under CFR 14 Part 141 as a pilot school for both airplanes and for helicopters;
- G) Use aircraft that meet federal Aviation Administration requirements as Technologically Advanced Aircraft (TAA);
- H) Make maximum use of FAA authorized simulation to reduce costs of flight training for students and have integrated that simulation across all aircraft flight training curricula;
- I) Have held approval and be currently approved by a State Veteran's Administration as a pilot school;
- J) Have held approval and is currently approved by the Department of Immigration for pilot flight training and be familiar with and have used the SEVIS approval system;
- K) Accomplish its own aircraft maintenance;
- L) Have a developed and operational Safety Management System (SMS);
- M) Have a marketing system in place that can adapt to the recruitment needs of the College;
- N) Be able to start flight training activities in August, 2012;

- O) Be able to provide a transition system of flight training for returning students to ensure that they earn pilot certificates and college courses that might otherwise remain incomplete.

A review of qualifications of flight training providers has been undertaken by Honolulu Community College in order to select an immediately available flight training provider that can meet the needs of its collegiate flight training program and the students therein as set forth above. No flight training provider in the State of Hawaii meets even half of the aforementioned criteria. Guidance Academy, LLC is the only flight training provider that Honolulu Community College can find that meets the listed criteria. In addition to being the single identified flight training provider meeting the above criteria, this pilot school has a proven track record of providing collegiate flight training services to Yavapai College and Embry-Riddle Aeronautical University and is ready, capable, and willing to provide a transition system for returning students to ensure that they earn their pilot certificates and complete their college flight courses in the Fall, 2012 semester.

Mainland organizations that Honolulu Community College investigated include Chandler Flight Service, Flight Safety, and Sierra Academy of Aeronautics. For each of these organizations, the inability to have the appropriate fleet of technically advanced aircraft and qualified staff able to be relocated in the short time frame is the major obstacle. Of the flight providers available in Hawaii, none of them have the needed experience of administering a collegiate level flight training program.