

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

The President, University of Hawaii, is in the process of reviewing the request from University of Hawaii at Hilo, Office of Intercollegiate Athletics (Department/Campus) for exemption from Chapter 103D, HRS, for the following goods, services, or construction:
Exclusive uniform/apparel sponsorship for the University of Hawaii at Hilo, Office of Intercollegiate Athletics.

Vendor: Under Armour
(If known)
Address:

Term of Contract: (If known)	From: July 1, 2016	To: June 30, 2018	Cost: \$66,000.00 (est. annual)
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Direct any inquiries to: Department: University of Hawaii at Hilo, Office of Intercollegiate Athletics Contact Name/Title: Patrick Guillen, Director of Athletics Address: 200 West Kawili Street Hilo, Hawaii 96720	Phone Number: (808) 932-7170 Fax Number: (808) 932-7169
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Date Posted: May 16, 2016

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
1400 Lower Campus Road, Room 15
Honolulu, Hawai'i 96822

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: OFFICE OF PROCUREMENT AND REAL PROPERTY MANAGEMENT

FROM: University of Hawaii at Hilo, Office of Intercollegiate Athletics
(Department/Program)

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

Description of goods, services, or construction:

The University of Hawaii at Hilo, Office of Intercollegiate Athletics ("UH Hilo") wishes to enter into an exclusive uniform/apparel sponsorship agreement with Under Armour ("UA") and its authorized servicing team dealer, Sports Line Sporting Goods ("Sports Line") for its Athletic Program. Under the proposed agreement, UH Hilo would receive a cash value product allotment each year, beginning July 1, 2016 and ending on June 30, 2018. As a condition of the receipt of such annual product allotments, UH Hilo would be required to purchase all of its team uniforms, practice gear and footwear requirements from UA, through its Hawaii authorized servicing team dealer, Sports Line. UH Hilo would receive 40% off UA's retail price for apparel and accessories, and 35% off UA's retail price for all footwear. Sports Line, the sole UA authorized servicing team dealer in the State of Hawaii will maintain appropriate levels of UA inventory to satisfy UH Hilo's requirements on a timely basis. Similar to other Division II schools, purchasing UA product direct from UA at wholesale pricing is not an option. UH Hilo must purchase UA products through an UA authorized servicing team dealer. Only Division I schools are offered direct purchases from UA at wholesale pricing.

Estimated Cost: \$ 66,000 annually

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

It is impractical to utilize standard procurement procedures for the purpose of soliciting proposals from sports equipment manufacturers for sponsorship and outfitting programs for UH Hilo's athletic teams. Manufacturers do not adhere to a common set of requirements and criteria typical of advertised procurement solicitations for purposes of formulating their proposals for each particular college sports team. It is more advantageous in the sports marketing area to solicit such proposals by approaching manufacturers on an informal, one on one basis.

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

Other sports manufacturers were solicited for proposals to provide athletic apparel and footwear including Adidas, and Brand Athletics (NIKE). Brand Athletics (NIKE) was not interested in submitting a proposal. Adidas submitted a proposal, which included an \$85,000 minimum annual purchase requirement that UH Hilo could not meet. The proposals were reviewed by Patrick Guillen, Athletic Director, and it was determined that the Under Armour proposal was the most advantageous to the UH Hilo, Intercollegiate Athletics Program. The Under Armour proposal was considered the best option based on the amount of annual product allotment, no minimum purchase requirement, highest percentage discount on apparel/accessories/footwear, and the convenience of readily available product on-island from an authorized servicing team dealer.


(3) A description of the Department's internal controls and approval requirements for the exempted procurement; and
Patrick Guillen, Director of Athletics, and Glenn Kagamida, Athletics Business Manager will review and sign every order and purchase requisition. Kula Oda, Student Affairs Fiscal Specialist/KFS Account Supervisor will review and approve the purchase requisition submitted by Athletics.

(4) A list of Department personnel, by position title, who will be involved in the approval process and administration of the contract:
Glen Kagamida, Athletics Business Manager
Patrick Guillen, Director of Athletics
Kula Oda, Student Affairs Fiscal Specialist
Gail Makuakane-Lundin, Vice Chancellor for Student Affairs
Donald Straney, Chancellor
Mason Kuo, Director of Business Office

Direct questions to: Patrick Guillen, Director of Athletics Phone: 808-932-7170

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

Patrick Guillen, Director of Athletics
Full Name of Principal Investigator, Department Head, or Administrator

 5/16/16
Signature Date

Mason Kuo, Director of Business Office
Full Name of Fiscal Officer

 5/16/16
Signature Date

APPROVED:

 Donald Straney, Chancellor
Full Name of Vice President or Chancellor

 5/16/2016
Signature Date

FOR OPRPM USE ONLY

OPRPM COMMENTS:

____ APPROVED _____ DENIED


PRESIDENT, UNIVERSITY OF HAWAII

5/27/16
DATE