



**HONOLULU AUTHORITY FOR RAPID TRANSPORTATION  
Request for Approval for Exemption from Hawaii Revised  
Statutes Chapter 103D**

**TO:** Daniel A. Grabauskas, Executive Director and CEO  
**FROM:** Tyler Moon, Procurement and Specifications Specialist  
**RE:** Fare Collection System Technical Support Contract ("RFQ")

In accordance with HRS §103D-102, HAR §3-120-4 and HAR §3-120-5, and Revised Charter of the City & County of Honolulu 1973, Article XVII, we request approval for exemption from Hawaii Revised Statutes (HRS) Chapter 103D of the following procurement:

<b>Date:</b> 6/12/15	<b>Estimated Contract Cost:</b> \$1,200,000
<b>Term of the Contract:</b> The term of this Contract shall be for a period of six (6) years with the option to extend the Contract for up to two (2) years.	
<b>Description of Project or Procurement:</b>  The Contractor will provide technical engineering services during the following phases for the fare systems contract, including but not limited to: procurement evaluation of the Request for Proposals ("RFP") for the fare systems contract, design review, quality control support testing during manufacturing, testing support and test script augmentation during the testing phase, implementation planning support and installation support.	
<b>Description of Item:</b>  See response to "Description of Project or Procurement."	

Explanation of why it would not be practicable or advantageous to HART to re-procure by competitive means:

HART issued a Request for Qualifications (RFQ) on March 24, 2015 with Statements of Qualifications (SOQs) due on April 27, 2015. HART received two SOQs. Under HRS § 103D-304, a minimum of three (3) persons must be ranked. The evaluation of the two submitted SOQs would not meet the requisite minimum of three that must be ranked.

Prior to issuance of the RFQ, the program manager, who is seasoned in this industry, conducted an industry outreach to potential offerors. There is limited number of firms or persons with expertise in fare systems design. Upon conducting the industry outreach, the program manager concluded that there were potentially five firms who would be qualified to submit an SOQ. Of the five, three firms reached out to inform the program manager that it had a conflict of interest thus could not submit an SOQ.

Thereafter, HART issued an "Additional Notice for Request for Qualifications," on May 28, 2015 to provide additional opportunity for firms, if any, to submit its SOQs. The deadline to submit the additional SOQs was June 10, 2015.

HART did not receive any additional SOQs, which confirmed the program manager's findings that there are five potential offerors, but of which three will not submit an SOQ due to conflict of interest. HART does not believe that it will be able to receive additional SOQ based on knowledge of the industry and the feedback received from the potential firms. Thus, we do not believe that it is practicable or advantageous for HART to procure this contract under HRS Chapter 103D.

This said, HART is pleased that it received two SOQs. Of the two potential offerors without a conflict of interest, both submitted an SOQ in light of a current high demand for limited expertise in fare systems design by major transit projects currently on the mainland. This provides HART an opportunity to evaluate more than one SOQ. Even if this contract is procured under this exemption, HART will use provisions of the HRS Chapter 103D to conduct its evaluation, including ranking by evaluation and negotiating with the highest ranked offeror.

Name and Address of Vendor:

N/A

Descriptions of the process or procedures used to select the vendor ensuring maximum fair and open competition whenever practicable:

HART issued a RFQ pursuant to HRS § 103D-304 and HAR § 3-122 Subchapter 7 on March 24, 2015. Proposals were due on April 27, 2015 and HART did not receive the minimum of three proposals and subsequently issued an Additional Notice on May 28, 2015 to extend the proposal due date to June 10, 2015. No additional proposals were received with the Additional Notice. At this time HART does not meet the requirement for a minimum of three proposals and would like to proceed with the procurement of the Services pursuant to HRS § 103D-102 (b)(4)(L), which exempts goods and services from procurement where, the chief procurement officer determines in writing that the goods and services are available from multiple sources but for which procurement by competitive means is either not practicable or not advantageous to HART. Furthermore, we believe the exemption sought by HART is similar to or falls under HAR § 3-120-4 Exhibit A, Exemption No. 3, which exempts a procurement from HRS Chapter 103D for "those providing specialized training methods, techniques or expertise in the subject matter." Here, the fare collection system technical support professional services requires a provider who possesses specialized training methods, techniques or expertise in the subject matter. HART has used procedures for maximum fair and open competition and it would be not practicable or advantageous to HART to move forward without the exemption.

Direct questions to:

Wes Mott

Phone:

708-6155

Upon approval of the exempt procurement request, a copy of the request shall be posted on an internet site accessible to the public for seven (7) days. Any inquiries shall be directed to the designated contact person stated above. Any objections to the request for the exempted procurement shall be submitted in writing and received by the Executive Director and CEO within seven (7) days from the date the notice was posted.

In determining whether to approve the request, the Executive Director and CEO shall consider the circumstances of each individual case and may approve the exemption for the term of the contract.

Date Notice Posted: JUN 15 2015

Submit objections to this exempt procurement, in writing, within seven (7) days from the above date to:

Executive Director and CEO  
Honolulu Authority for Rapid Transportation (HART)  
Ali'i Place  
1099 Alakea Street, Suite 1700  
Honolulu, Hawaii 96813

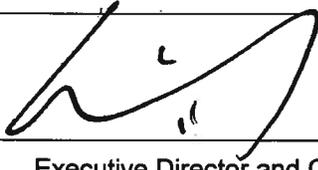
**To the best of my knowledge, the information provided above is true and correct.**

Recommend approval:

Irvin W. Mott for Neale Chapman 6/12/15  
Procurement and Contracts Officer Date

Executive Director and CEO's comments:

- APPROVED
- DISAPPROVED



Executive Director and CEO

6/12/15

Date