

PROCUREMENT POLICY BOARD

Aloha Stadium, Hospitality Room
99-500 Salt Lake Boulevard
Honolulu, Hawaii 96818
Regular Meeting
September 22, 2006
1:00 p.m.

AGENDA

- I. Call to Order
- II. Approval of Minutes – Meeting of July 13, 2006
- III. Adoption of policy allowing the Board to reasonably administer oral testimony, including imposing a time limit on the length of oral testimony.

BACKGROUND INFORMATION FOR THE FOLLOWING ITEMS IV AND V: At the recommendation of the Office of Information Practices (OIP), the Board will again consider the Petition for the Adoption of a Rule and the Petition for the Modification of a Rule. The Board previously considered the Petitions at its July 13 meeting and voted to submit the rule changes in the Petitions to the Governor for approval; however, because the items were listed in the agenda for the July 13 meeting under the heading "For Information," to avoid any possible confusion and based upon OIP's recommendation, the Board considers the action taken at its July 13 meeting relating to the Petitions to be void. The Board intends to consider the Petitions and take any action that it deems appropriate concerning the Petitions as part of this meeting. The Board welcomes any public testimony that may be relevant to its consideration of the Petitions.

IV. Petition for the Adoption of a Rule

Consideration of Akaku, Maui Community Television's petition for a proposed rule that states, "3-120-6 Code Not Applicable to PEG Access Provider Contracts. The State Procurement Code does not apply to Public Education Government Access Provider Contracts which direct the cable franchisees to cause payments from the cable franchise fees to the several Public Education Government Access Providers as provided by law."

V. Petition for the Modification of a Rule

Consideration of Akaku, Maui Community Television's petition for a proposed amendment to Hawaii Administrative Rule § 3-120-4(b), Exhibit "A" by adding "Services of non-governmental non-profit corporations to provide public, educational, and governmental cable access" to the list of procurements exempt from chapter 103D, Hawaii Revised Statutes.

VI. Proposed HAR, Chapter 3-127, Small Business Assistance

The proposed rules establish a new subchapter for small business assistance pursuant to Act 50, SLH 2005.

VII. Proposed HAR Chapter 3-122 Source Selection and Contract Formation (Interim)

Included in the proposed Chapter are the following proposed sections addressing the increase in the small purchase level from less than \$25,000 to less than \$50,000, and establishes rules for the use of an electronic procurement system. In addition, other sections are being amended pursuant to Act 96, SLH 2006, relating to energy.

- §3-122-9 Use of facsimiles or other electronic transmittals
- §3-122-12 Duties of the administrator
- §3-122-13 Development of specifications
- §3-122-16.03 Public notice
- §3-122-16.07 Pre-opening modification or withdrawal of offer
- §3-122-21 Preparing a competitive sealed bid
- §3-122-75 Goods, services, and construction
- §3-122-77 Procurement file and disclosure of information
- §3-122-78 Electronic procurement
- §3-122-112 Responsibility of offerors

VIII. Election of Officers

IX. Announcements

X. Adjournment

Individuals may present testimony on matters on the Procurement Policy Board's agenda when the agenda item is being discussed by the Board. Written testimonies will be accepted. Individuals who intend to testify should contact the State Procurement Office at (808) 587-4700 at least 48 hours before the scheduled meeting.

Individuals requiring special assistance or services may call (808) 587-4700 by 1:00 p.m., September 19, 2006 to discuss accommodation arrangements.

PROCUREMENT POLICY BOARD

Aloha Stadium, Hospitality Room
99-500 Salt Lake Boulevard
Honolulu, Hawaii 96818
Regular Meeting
October 5, 2006 at 9:00 a.m.

Continuation of September 22, 2006

AMENDED AGENDA

- I. Call to Order
- II. Approval of Minutes – Meeting of July 13, 2006
- III. Adoption of policy allowing the Board to reasonably administer oral testimony, including imposing a time limit on the length of oral testimony.
- IV. Proposed amendments and compilation of interim HAR Chapter 3-122 Source Selection and Contract Formation.

Consideration of the proposed HAR Chapter 3-122 as interim rules. Included in the proposed Chapter are the following proposed amended sections addressing the increase in the small purchase level from less than \$25,000 to less than \$50,000, and establishes rules for the use of an electronic procurement system pursuant to Act 283, SLH 2006. In addition, sections 3-122-12 and 13 are being amended pursuant to Act 96, SLH 2006, relating to energy.

- §3-122-9 Use of facsimiles or other electronic transmittals
- §3-122-12 Duties of the administrator
- §3-122-13 Development of specifications
- §3-122-16.03 Public notice
- §3-122-16.07 Pre-opening modification or withdrawal of offer
- §3-122-21 Preparing a competitive sealed bid
- §3-122-75 Goods, services, and construction
- §3-122-77 Procurement file and disclosure of information
- §3-122-78 Electronic procurement
- §3-122-111 Notice of intent to offer
- §3-122-112 Responsibility of offerors

- V. Proposed HAR, Chapter 3-127, Small Business Assistance

Consideration of the proposed interim rules to establish a new subchapter for small business assistance pursuant to Act 50, SLH 2005.

BACKGROUND INFORMATION FOR THE FOLLOWING ITEMS VI AND VII: At the recommendation of the Office of Information Practices (OIP), the Board will again consider the Petition for the Adoption of a Rule and the Petition for the Modification of a Rule. The Board previously considered the Petitions at its July 13 meeting and voted to submit the rule changes in the Petitions to the Governor for approval; however, because the items were listed in the agenda for the July 13 meeting under the heading "For Information," to avoid any possible confusion and based upon OIP's recommendation, the Board considers the action taken at its July 13 meeting relating to the Petitions to be void. The Board intends to consider the Petitions and take any action that it deems appropriate concerning the Petitions as part of this meeting. The Board welcomes any public testimony that may be relevant to its consideration of the Petitions.

VI. Petition for the Adoption of a Rule

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VII. Petition for the Modification of a Rule

Consideration of Akaku, Maui Community Television's petition for a proposed amendment to Hawaii Administrative Rule §3-120-4(b), Exhibit "A" by adding "Services of non-governmental non-profit corporations to provide public, educational, and governmental cable access" to the list of procurements exempt from chapter 103D, Hawaii Revised Statutes.

VIII. Petition for Declaratory Ruling

Consideration of Olelo's petition for a declaratory ruling pursuant to HRS §91-8, stating that public, education and government (PEG) access channels are contracts for "utility services" within the meaning of HRS §103D-102(b)(4)(F) and, for which competitive award procedures of HRS Chapter 103D are neither practicable nor advantageous to the State.

IX. Hawaii Health Systems Corporation – Request for Additional Exemptions to Chapter 103D

Consideration of Hawaii Health Systems Corporation's request for additional exemptions to Chapter 103D, pursuant to HAR 3-120-4:

- (1) To procure specialty medical supplies and equipment required in the judgment of a member of the medical staff of a public health facility;
- (2) To procure medical supplies and equipment in preparation of a disaster on behalf of a public health facility;
- (3) To procure physician services to be performed at a public health facility;
- (4) To procure repair and maintenance services and supplies from the original equipment manufacturer; and
- (5) To procure equipment upgrades from the original manufacturer to existing medical and information system requirement.

X. Election of Officers

XI. Announcements

XII. Adjournment

Individuals may present testimony on matters on the Procurement Policy Board's agenda when the agenda item is being discussed by the Board. Individuals, who intend to testify and are not on the List of Testifiers, should contact the State Procurement Office at (808) 587-4700 at least 48 hours before the scheduled meeting. Written testimonies will be accepted through e-mail at state.procurement.office@hawaii.gov or faxed to (808) 587-4703 until 9:00 am, October 3, 2006. Testimonies received after the October 3, 2006 deadline will be forwarded to the board after the October 5, 2006 meeting.

Individuals submitting written testimony at the meeting and would like the written testimony distributed to the board at this meeting, are requested to provide 8 copies.

Individuals requiring special assistance or services may call (808) 587-4700 by 9:00 a.m., October 2, 2006 to discuss accommodation arrangements.