

# HAWAII HEALTH SYSTEMS CORPORATION NOTICE OF AND REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

EX Number: EX-197

**1. TO:** Chief Procurement Officer

**2. FROM:** Joyce M. Tamori

Department/Division/Agency Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

**3. Description of goods, services or construction: Commercial appraisal services for healthcare facilities**

**4. Name and Address of Vendor: John Child & Co.**  
**733 Bishop St., Ste. 2500**  
**Honolulu, HI 96813**

**5. Price: \$81,000 plus tax**

**6. Term of Contract: From: November, 2025 To: November, 2027**

**7. Prior Exemption Ref. No. 139**

**8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State: HHSC conducted a Professional Services solicitation for licensed appraisers specializing in healthcare facilities and through this process awarded a 2017 contract to John Child & Co. At the present time there are no commercial appraisers on the HHSC Professional Services List and HHSC has an urgent need to update the 2020 reports performed by John Child & Co. These reports concern the valuation of the Big Island's hospital laboratory and morgue leases which must reflect current fair market value (FMV) and commercial reasonableness (CR). The hospital leases are due for renewal and lease amounts must be established through the FMV/CR appraisal process. John Child & Co has extensive first-hand data for the five facilities requiring analyses, and is able to complete the work within the Small Purchase threshold, without incurring additional labor hours and travel expenses which would be required if the work were to be performed by a vendor other than John Child & Co.**

**9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: HHSC will seek to add licensed commercial appraisers with expertise in healthcare to the HHSC Professional Services List.**

**10. A description of the agency's internal controls and approval requirements for the exempted procurement: This exemption shall be from HRS, Section 103D-303, and all other guidelines, rules and policies under chapter 103D shall be upheld. HHSC policies and procedures will be followed and periodic reviews of contract action will be performed.**

**11. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:**

Name	Position	Involvement in Process	
Jeffrey Saito	Corp. Contracts Mngr.	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Edward. N. Chu	Chief Executive Officer CPO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Joyce M. Tamori	VP and Chief Financial Officer	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration

**12. Direct inquiries to:**

Contact Name: Jeffrey Saito  
Email: jesaito@hhsc.org

Agency shall ensure adherence to applicable administrative and statutory requirements  
**13. I certify that the information provided above is, to the best of my knowledge, true and correct.**

*Joyce Tamori*

09/23/2024

Department Head (Print: Joyce Tamori)

Date

Reserved for CPO/Delegee Use Only

**14 .Date Notice Posted: SEPT 18, 2024**

The CPO is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven (7) calendar days or as otherwise allowed from the above posted date to: Chief Procurement Officer, HHSC, 3675 Kilauea Ave., Honolulu, Hawaii 96816

**Chief Procurement Officer's comments:**

15.  **APPROVED**

**DISAPPROVED:**

**NO ACTION REQUIR**

*Edel N. A.*

HHSC Chief Procurement Officer - *Signature*

09/23/2024

Date