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August 19, 2009

## PROCUREMENT CIRCULAR NO. 2009-08

TO: Office of the Governor

> Office of the Lieutenant Governor **Executive Department Heads**

State Librarian

**Chief Procurement Officers** 

Aaron S. Fujioka FROM:

SUBJECT: ACT 175, SLH 2009: PART II, SECTION 3 - Guidance on Procurement of

Fresh Meats and Produce, Animals and Plants

This circular is a follow-up to Procurement Circular No. 2009-07 on 2009 Procurement Related Legislation for guidance and information on ACT 175, SLH 2009.

PART II, Procurement Preferences, SECTION 3 of ACT 175, SLH 2009 mandates the following shall be subject to competition pursuant to HRS Chapter 103D:

- Fresh meats and produce; and
- Animals and plants

These items were previously exempt from the procurement code pursuant to HAR §3-120-4. Exhibit A, Exemption Numbers 5 and 7 as approved by the Procurement Policy Board. Effective July 1, 2009, ACT 175, SLH 2009 prohibits applying Procurement Policy Board or Chief Procurement Officer procurement code exemptions for these specific items as previously allowed pursuant to HRS §103D-102 (b), (4), (L). Attached is Exhibit A to HAR §3-120-4 on Procurements Exempt from Chapter 103D, HRS reflecting the changes pursuant to ACT 175, SLH 2009.

The requirements of PART II do not affect any actions or proceedings that were begun before the July 1, 2009 effective date of ACT 175, SLH 2009.

To acquire these items, agencies may utilize the appropriate procurement source selection methods available in the procurement code.

If your staff has any questions, the following SPO staff may be contacted:

| Bonnie Kahakui           | 587-4702 | bonnie.a.kahakui@hawaii.gov          |
|--------------------------|----------|--------------------------------------|
| Kevin Takaesu            | 586-0568 | kevin.s.takaesu@hawaii.gov           |
| Donn Tsuruda-Kashiwabara | 586-0565 | donna.tsuruda-kashiwabara@hawaii.gov |

or please call me at 587-4700.

## EXHIBIT A HAR Chapter 3-120 PROCUREMENTS EXEMPT FROM CHAPTER 103D, HRS 07/17/08

| Exemption Number | <u>Exemption</u>                                                                                                                                                                                                        |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.               | Research, reference, and educational materials including books, maps, periodicals, and pamphlets, which are published or available in print, video, audio, magnetic, or electronic form, including web-based databases; |
| 2.               | Services of printers, rating agencies, support facility providers, fiscal and paying agents, and registrars for the issuance and sale of the State's or counties' bonds;                                                |
| 3.               | Services of lecturers, speakers, trainers, facilitators and scriptwriters, when the provider possess specialized training methods, techniques or expertise in the subject matter;                                       |
| 4.               | Services of legal counsel, guardian ad litem, psychiatrists, psychologists, receivers and masters when required by court order;                                                                                         |
| 5.               | Fresh meats and produce; (Deleted pursuant to Act 175, SLH 2009 effective 7/1/09)                                                                                                                                       |
| 6.               | Insurance to include insurance broker services;                                                                                                                                                                         |
| 7.               | Animals and plants; (Deleted pursuant to Act 175, SLH 2009 effective 7/1/09)                                                                                                                                            |
| 8.               | New or used items which are advantageous and available on short notice through an auction, bankruptcy, foreclosure, etc.;                                                                                               |
| 9.               | Food and fodder for animals;                                                                                                                                                                                            |
| 10.              | Facility costs for conferences, meetings, and training sessions;                                                                                                                                                        |
| 11.              | Advertisements in specialized publications, such as in ethnic or foreign language publications, trade publications, or professional publications;                                                                       |
| 12.              | Arbitrator and mediator services;                                                                                                                                                                                       |
| 13.              | Interpreter services;                                                                                                                                                                                                   |
| 14.              | Procurement of repair services when dismantling is required to assess the extent of repairs;                                                                                                                            |
| 15.              | Burial services consisting of mortuary, crematory, cemetery, and other essential services for deceased indigent persons or unclaimed corpses;                                                                           |
| 16.              | Radio and television airtime when selection of station is based on the targeted audience (i.e. ethnic or age group, gender, etc);                                                                                       |
| 17.              | Subscription costs and registration or workshop fees for conferences or training; and                                                                                                                                   |
| 18.              | Court reporter services.                                                                                                                                                                                                |