EAST HAWAII REGION NOTICE & REQUEST FOR SOLE SOURCE

1. TO: Regional Chief Executive Officer

2. FROM: Jady Sleightholm, Project Management

Pursuant to East Hawaii Region Policy, PUR 005, the Department requests sole source approval to purchase the following:

3. Description of goods, services, or construction:

Starr & Company to remove and replace two boilers in the Maintenance Building at Hilo Medical Center Acute Hospital. Quote includes:

- QTY: 1 Superior Steam Boiler, Apache Model 8x750s150m, 150 BHP, 150 PSI Steam, power flame full modulating oil boiler
- QTY: 1 Superior Steam Boiler, Mohawk Model 4x1024s150M, 200 HP, 150 PSI Steam, power flame full modulating oil boiler
- Hoisting of the existing and new boilers with the use of crane equipment out of the existing Boiler room.
- A Licensed Engineer to provide new drawings and documents
- Boiler inspection from state boiler inspector
- Insulate all new steam piping

Boilers are long-lead items that will ship out 14-18 weeks after approval of submittals. Job expected to be completed by June 01, 2024.

4. Vendor Name: Starr & Company, Inc Address: 680 Kakoi St Honolulu, HI 96819			5. Price: \$ <u>598,622.80</u>
6. Term of Contract: (mm/dd/yyyy)	From: <u>01/10/2024</u>	To: <u>06/01/2024</u>	7. Prior Sole Source Ref No. <u>N/A</u>

8. Feature: The good, service, or construction has the following unique features, characteristics, or capabilities:

The boilers and their installation are not unique. The Hospital issued an RFP for the work in November and December 2023, that being RFP 24-0167, extending the deadline twice and alerting known vendors to submit a proposal. No proposals were received. Staff then reached out to vendors to submit a proposal, and Starr & Company was the only vendor to provide a proposal. Other companies showed interest; but the Hospital was told they were unable to produce a proposal due to the complexity of the request.

9. Essential Features: How the unique features, characteristics, or capabilities are essential for the agency to accomplish its work:

Current boilers installed at the Hilo Medical Center Acute Hospital Maintenance Building have surpassed their lifespan and have been struggling to keep up with the demand. Boilers were installed in both 1989 and 2008. The average lifespan of boilers are 10-15 years. The boilers currently supply hot water to the kitchen, dishwasher and sterilizer, and laundry room of the Hilo Medical Center Acute Hospital. If either boiler were to fail, there would be an immediate impact on critical services. In addition, temporary equipment for the sterilization and sanitization of linens, patient curtains, and bed sheets would be costly and time consuming, affecting the operations of the Hospital.

10: Sole Source No. _24-0167__

11. Alternate source. The following other possible sources for the good, service, or construction were investigated but do not meet our needs because:

There are no other known vendors who provided a proposal for the requested work at this time. Starr and Company was the only vendor to submit a proposal for the services. Replacement of the boilers are critical as discussed in #9 above.

12. Direct any inquiries to: Contracts Department Department: <u>Contract Management</u> Contact Name/Title: <u>Jennifer Prince</u>	13 Phone Number: <u>808-932-</u> <u>3137</u>
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Expenditure may be processed with a purchase order: Yes No If no, a contract must be executed Agency shall ensure adherence to applicable administrative and statutory requirements.

14. I certify that the information provided above is to the best of my knowledge, true, correct and that the goods, services, or construction are available through only one source.

Kris Wilson

Jan 10, 2024

Date

Department Head (sign and print name)

Reserved for RCEO/Designee Use Only

15 Date Notice Posted:

Submit written objections to this intent to issue a sole source contract within five (5) calendar days or as otherwise allowed from the above posted date to: Regional Chief Executive Officer East Hawaii Region 1190 Waianuenue Ave. Hilo, Hawaii 96720

16. Regional Chief Executive Officer's comments:



7. □ APPROVED □ DISAPPROVED □ NO ACTION REQUIRED

Regional Chief Executive Officer

Date