

# HANDOUT B

## DEPARTMENT OF TRANSPORTATION PROCUREMENT DELEGATION Effective January 25, 2019

This Procurement Delegation is in accordance with and pursuant to the State Procurement Office's Procurement Delegation No. 2010-01, dated December 6, 2010 and 2014-01, dated December 16, 2014.

**I. Delegation from the Chief Procurement Officer (CPO) to the Director of Transportation, Head of Purchasing Agency (HOPA)**

**Categories of Procurement:**

**HRS Chapter 103D- Hawaii Public Procurement Code (goods, services, construction)**

1. Competitive Sealed Bidding (HRS § 103D-302)
2. Competitive Sealed Proposals (HRS § 103D-303)
3. Professional Services (HRS § 103D-304)
4. Small Purchases (HRS § 103D-305)  
Pursuant to and in compliance with Procurement Circular 2012-04, or as amended, Small Purchases Procurement and Performance Bonds for Construction;
5. Sole Source (HRS § 103D-306)  
Requires CPO written approval for ALL dollar amounts (Refer to form SPO-001); and
6. Emergency (HRS § 103D-307)  
Requires CPO approval for ALL dollar amounts and approval may be obtained after-the-fact (Refer to form SPO-002)

**Other HRS chapter 103D delegations granted are for:**

- Preparation of specifications (HAR § 3-122-11);
- Bid security (HRS § 103D-323)
- Contract performance and payment bonds (HRS § 103D-324)
- Resolution of protests (HRS § 103D-701)
- Contract controversies (HRS § 103D-703)
- Act 150, SLH 2009 for the expedient use of ARRA funds (HAR § 3-133); and
- Designation of:  
HIePRO System Administrator and alternate(s)  
pCard Administrator and alternate(s)  
Emergency pCard Administrator and alternate(s)  
Procurement Exempt to HRS Chapter 103D (HRS § 103D-102 & HAR Chapter 3-120) and HRS chapter 103F (HRS § 103F-101 & HAR chapter 3-141)

**HRS § 103F – Purchases of Health and Human Services**

1. Competitive Purchase of Service (HRS § 103F-402);
2. Restrictive Purchase of Service (HRS § 103F-403);  
Requires CPO approval for ALL dollar amounts (Refer to Form H-500)
3. Treatment Purchase of Service (HRS § 103F-404)
4. Small Purchase of Service (HRS § 103F-405) and
5. Crisis Purchases of Service (HRS § 103F-406)  
Requires CPO approval for ALL dollar amounts and approval may be obtained after-the-fact (Refer to Form H600)

# HANDOUT B

## Procurement Delegation Effective January 25, 2019

### II. The Director of Transportation hereby authorizes this delegation.

#### A. Delegation from the Director of Transportation to the Deputy Directors

Deputy Director, Administration  
Deputy Director, Airports Division  
Deputy Director, Harbors Division  
Deputy Director, Highways Division

#### HRS Chapter 103D- Hawaii Public Procurement Code (goods, services, construction)

1. Small Purchases (HRS § 103D-305)  
Pursuant to and in compliance with Procurement Circular 2012-04, or as amended, Small Purchases Procurement and Performance Bonds for Construction;
2. Emergency (HRS § 103D-307) up to \$100,000  
Requires CPO approval for ALL dollar amounts and approval may be obtained after-the-fact (Refer to form SPO-002)
3. Sole Source (HRS § 103D-306)  
Pre-approved Sole Source for amounts up to \$4,000

#### Other HRS chapter 103D delegations granted are for:

- Preparation of specifications (HAR § 3-122-11);
- Procurement Exempt to HRS Chapter 103D (HRS § 103D-102 & HAR Chapter 3-120) and HRS chapter 103F (HRS § 103F-101 & HAR chapter 3-141) **up to \$50,000.**

#### HRS § 103F – Purchases of Health and Human Services

1. Small Purchase of Service (HRS § 103F-405) up to \$50,000

#### B. Delegation from the Director of Transportation to SPO

All requests for assistance will be documented on SPO-018 “Procurement Services Request” and approved by the Director.

#### C. Delegation from the Director of Transportation to Divisions.

Unless indicated, only the persons in the permanent positions listed below are authorized to sign providing they have completed the required training, have an approved SPO Form 36 and listed on the Exhibit A. Staff assigned temporarily to positions does not have procurement delegation unless listed in the Exhibit A by name. Where the person is the procuring agent, approval must be made by the supervising manager.

#### All Divisions:

1. Administrator
  - a. Preparation of specifications pursuant to HAR §3-122-11
  - b. Professional Services – approval to negotiate with the first ranked consultant only.
  - c. Small purchases for goods, services and construction under \$100,000
  - d. For Highways Division only: Procurement Exempt to HRS Chapter 103D (HRS § 103D-102 & HAR Chapter 3-120) up to \$10,000
  - e. Procurement Exempt to HRS Chapter 103D for unlimited Utilities Payments.
  - f. Emergency (HRS § 103D-307) up to \$100,000  
Requires CPO approval for ALL dollar amounts and approval may be obtained after-the-fact (Refer to form SPO-002)
2. Oahu District Manager, Highways District Engineers or District Engineering Program Manager
  - a. Small purchases for goods, services and construction under \$50,000
  - b. For Highways Division only: Procurement Exempt to HRS Chapter 103D (HRS § 103D-102 & HAR Chapter 3-120) up to \$5,000
  - c. Procurement Exempt to HRS Chapter 103D for unlimited Utility Payments.

Procurement Delegation  
Effective January 25, 2019

3. Hawaii, Maui, Kauai District Managers, District Engineers, Airport Operations Officer, Commercial Harbors Manager
  - a. Small purchases for goods, services and construction under \$15,000
  - b. For Highways Division only: Procurement Exempt to HRS Chapter 103D (HRS § 103D-102 & HAR Chapter 3-120) up to \$5,000
  - c. Procurement Exempt to HRS Chapter 103D for unlimited Utility Payments.
4. Administrative Services Officers
  - a. Small purchases for goods and services under \$50,000
  - b. Procurement Exempt to HRS Chapter 103D for unlimited Utility Payments only.
5. Fiscal Officer & Business Management Officer
  - a. Small purchases for goods and services under \$25,000
  - b. Procurement Exempt to HRS Chapter 103D for Utility Payments only up to \$10,000.
6. Engineering Program Manager and Construction & Maintenance Engineer
  - a. Preparation of specifications pursuant to HAR §3-122-11
  - b. Small purchases for goods, services and construction under \$15,000
  - c.. Procurement Exempt to HRS Chapter 103D for Utility Payments only up to \$5,000
7. Business Services Supervisors, Visitor Information Program Administrator, Administration's Staff Managers
  - a. Small purchases for goods and services under \$5,000
  - b. Procurement Exempt to HRS Chapter 103D for Utility Payments only up to \$5,000
  - c. For Visitor Information Program Administrator only: Procurement Exempt to HRS Chapter 103D (HRS § 103D-102 & HAR Chapter 3-120) up to \$10,000; Small purchases for goods and services under \$50,000.
  - d. For Information Technology Manager only: Small Purchases for goods and services under \$10,000
8. Contracts Office Manager  
Categories of Procurement: goods, services and construction pursuant to Chapter 103D, HRS
  - a. Preparation of specifications pursuant to HAR §3-122-11
  - b. Resolution of protests pursuant to HRS §103D-701
  - c. Contract controversies pursuant to HRS §103D-703

III. Administrative Requirements

A. Procurement Delegation

**Procurement delegation is not effective until the individuals have completed the required training, has an approved SPO Form 36, Procurement Delegation and listed on the Exhibit A.**

Personnel with procurement authority above must have the appropriate training for HRS chapters 103D, 103F and the approved SPO Form 36 Procurement Delegation before they participate in any procurement activity. The term "participate" means the various procurement activities such as to oversee/supervise the procurement process; develop, draft, review, edit conduct, manage or approve the specifications or solicitation; administer the contract.

B. Procurement Delegation List (Exhibit A)

A separate Procurement delegation list identifies DOT employees that have specific procurement delegation by procurement method. This list will be updated on a regular basis and attached in the DOT Library.

C. Procurement Exemption

The approver for procurement exemptions as listed in HRS Section 103D-102 including utility expense requires the approver to attend State Procurement Workshop 125, Exemptions from HRS Chapter 103D

# HANDOUT B

Procurement Delegation  
Effective January 25, 2019

and authorized in the DOT Procurement Delegation.

#### D. Purchase Requisition

The Purchase Requisition is the authorizing document for the issuance of the Purchase Order. **Purchase Orders and Pcards may not be issued or used unless there is a Purchase Requisition signed by an authorized person.**

#### E. Small Purchases

The small purchase method of procurement may only be used for purchases that fall under the small purchase threshold amount, have clear specifications, and where award is based on the lowest responsive, responsible quote. That is, award shall be to the lowest priced quote meeting all specifications.

Small purchase thresholds are less than \$100,000 for goods, services, or \$250,000 for construction\*\* conducted in accordance with small purchase procedures.

\*\* Reference: Act 173, SLH 2012 established thresholds for small purchases.

#### F. Parceling

HAR 3-131-1 defines parceling as the artificial division or intentional division of a purchase of same, like, or related items of goods, services, or construction into several purchases of smaller quantities, in order to evade the statutory competitive requirements.

The total of multiple purchases of same like or related goods, services or construction shall not exceed the small purchase threshold for any 12-month period.

**AUTHORIZED BY:**



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**JADE T. BUTAY, DIRECTOR**

Jan 25, 2019

Date: \_\_\_\_\_