



**STATE PROCUREMENT OFFICE
NOTICE OF REQUEST FOR EXEMPTION
FROM HRS CHAPTER 103D**

11 NOV 16 P2:01

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: Department of Business Economic Development and Tourism
Name of Requesting Department

SUBJECT: Request for Exemption

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

1. Describe the goods, services or construction. Maintenance agreement for DBEDT's Neopost Mail Machine.	
2. Vendor/Contractor Name : <p align="center">Business Works of Hawaii</p>	3. Amount of Request: \$ 1595
4. Term of Contract: From: 1-Dec-11 To: 30-Nov-12	5. Prior Exemption Reference No.:
6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means: We have recently learned that Business Works of Hawaii is the only Authorized Dealer for sales and service for the Neopost Mail Machine which the department purchased in 2003. Previously, our service agreement was with AMS Mail Hawaii, the authorized dealer from whom the machine had been purchased. We were notified in October by Business Works of Hawaii that they are now the authorized dealer and service provider for Neopost. Initially, we thought to apply HAR section 3-122-81 Paragraph 6 which allows for the use of the sole source "for repair and maintenance services and supplies from the original equipment manufacturer or its designated representative; when the manufacturer or its designated representative is required to provide the services and supplies to retain the manufacturer's warranty or guarantee." Since the DBEDT machine was purchased in 2003, it is no longer under a manufacturer's warranty or guarantee and therefore, we have been advised by the State Procurement Office that our situation would not meet the requirements of HAR section 3-122-81. Based on the above reason and the attached memo from Business Works of Hawaii representing that they are the exclusive technical service and parts providers for the Neopost machine, we hereby submit this Request for Exemption.	
7. In selecting the vendor/contractor, explain in detail, the process the department will utilize to maximize fair and open competition: Based on Business Works of Hawaii and Neopost's representation that Business Works of Hawaii is the authorized dealer/service/parts provider for the Neopost machines, DBEDT seeks to enter into a service agreement with them. In the future, if more authorized dealers for the Neopost machine become available, DBEDT will seek future maintenance agreements through the appropriate competitive means.	

8. Identify the primary individual(s) who is knowledgeable about this request, who will conduct and manage this process and has completed mandatory training. (Type over "example" and delete cells not used)

Name of Department Personnel	Division/Agency	Phone Number	e-mail address
Eileen Harada	ASO	586-4150	ekharada@dbedt.hawaii.gov
Ken Kitamura	ASO	586-2433	kkitamura@dbedt.hawaii.gov
Mary Alice Evans	Deputy Director	586-2355	maevans@dbedt.hawaii.gov

9. The department shall ensure adherence to applicable administrative and statutory requirements, and all requirements, approvals, and internal controls for this request are the responsibility of the department.

I certify that the information provided above is, to the best of my knowledge, true and correct.

Mary Alice Evans
for Department Head Signature

11-10-11
Date

For Chief Procurement Officer Use Only

Date Notice Posted 11-17-11

Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from date notice posted to:

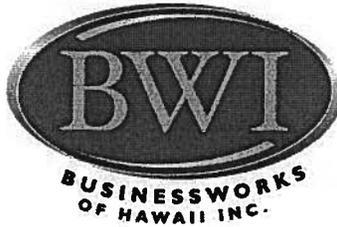
Chief Procurement Officer
State Procurement Office P.O.
Box 119 Honolulu, Hawaii
96810-0119

10. Chief Procurement Officer (CPO) Comments:

The department is unable to provide documentation that procurement of the mail machine was conducted properly and in accordance with HRS Chapter 103D. Consequently, this request is disapproved, and the department may re-submit utilizing form SPO-016, Procurement Violation to provide report of findings and corrective actions.

Approved Disapproved No Action Required

David J. [Signature] 11/29/2011
Chief Procurement Officer Signature Date



October 13, 2011

neopost[®]

Attention Office Administrator:

The purpose of this letter is to inform that Business Works of Hawaii, Inc. is the only Authorized Dealer for sales and service for Neopost[®], Hasler[®] Mailing Products for the State of Hawaii. We are the only company in the State that has been trained on Neopost[®], Hasler[®] products and have exclusive access to Technical support and parts.

Sincerely,

Michael Robinson
General Manager Mailing Division
Business Works of Hawaii, Inc.
99-1046 Iwaena St
Aiea HI 96701
mrobinson@businessworkshawaii.com
808 545-5540 x231



HASLER

May 11, 2011

Customer Name
Address
State

Dear Valued Customer:

Your continued use of mailing equipment and systems from Neopost USA is important to us. As such, we are writing to inform you of a change in coverage for your postage meter sales, service and supplies. Effective **May 1, 2011**, AMS Mail Hawaii is no longer an Authorized Dealer for Neopost/Hasler products.

We are pleased to announce your new Neopost Authorized Dealer, **Business Works of Hawaii**. Business Works of Hawaii is the largest locally owned and operated office solutions provider in Hawaii. They have been serving the islands since 1997 and have established a highly respected reputation in this industry. This experience allows Business Works of Hawaii to choose a **tailored** solution that fits into **your** specific business model.

Business Works of Hawaii understands that customers demand fast and pro-active solutions. To help ensure maximum productivity, they have invested in several on-line tools for their customers. Through **info.businessworkshawaii.com**; you will be able to order supplies, request maintenance and correspond with Business Works of Hawaii at your convenience.

If you would like to discuss the status of your account, acquire additional mailing equipment, require service on your postage meter or need supplies; please contact your only local Neopost/Hasler Authorized Dealer:

Business Works of Hawaii, Inc.
99-1046 Iwaena Street
Honolulu, HI 96701
Phone: 808 545-5540
Fax: 808 488-7788
Email:
Web : www.BusinessWorksHawaii.com

We continue to look for ways to better serve you and hope you find this change as convenient and rewarding as we expect it will be.

Thank you for your trust in Neopost/Hasler products.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin Flood". The signature is stylized and cursive.

Kevin Flood
Vice President of Dealer Sales