



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

RECEIVED BY
STATE PROCUREMENT
OFFICE
06/19/2015

TO: Chief Procurement Officer

FROM: Hawaii Strategic Development Corporation
Name of Requesting Department

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:
Sponsorships under the HI Growth Connect and Network (CAN) Program to be awarded for programs that benefit and serve the HI Growth Initiative. Copies of previous exemptions for the High Technology Development Corporation (HTDC) -- HSDC's sister agency which previously operated the CAN program in FY14 and FY15 on HSDC's behalf -- are attached. Also, the Memoranda of Agreement between HSDC and HTDC for operating the previous CAN program are attached. The HSDC Board of Directors has determined that HSDC will now operate this program directly.

2. Vendor/Contractor/Service Provider	TBD based on applications approved by the sponsorship review committee	3. Amount of Request:
4. Term of Contract From:	7/1/2015 To: 6/30/2016	\$ 250,000
5. Prior SPO-007, Procurement Exemption (PE):		PE-13-087KBa1

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:
This exemption request addresses situations where opportunities arise for HSDC to sponsor program(s) and it is not practical to obtain multiple quotes for the same program. After discussions with SPO in 2012, an exemption request (12-093K) was submitted by HTDC and approved, and a hybrid RFP process was implemented specifically for sponsorships. The current procedures have worked satisfactory since and the exemption was approved for a 1 year extension by SPO last year starting 7/1/2014 and now ending 6/30/2015 for HTDC. Prior to the current exemption, procurement exemption requests were submitted individually for each worthy sponsorship opportunity as it arose but at times the short turnaround needed for the approval resulted in lost opportunities. Under this process, HTDC operated the HI Growth Connect and Network (CAN) Program on HSDC's behalf per the attached Memoranda of Agreement (FY14 and FY15). For FY16, HSDC has decided to operate the CAN Program directly.

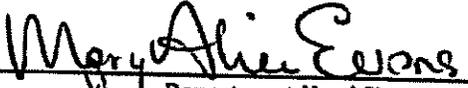
7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:

Following the same process applied by HTDC, HSDC will post an RFP at the beginning of the FY16 fiscal year and remain open for the duration of the fiscal year, inviting applications for sponsorship of programs that are in alignment with the HI Growth CAN Program and priority areas. The RFP is a modified version of the typical RFP process, as was established between HTDC and SPO in 2012. Applications received will be evaluated by the Procurement Officer, or a Sponsorship Evaluation Committee against an established set of criteria as outlined in the RFP. Recommendations will be presented to the Procurement Officer, who will award subject to satisfaction of the requirements described in the RFP, and the availability of funds.

8. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required).
 *Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Agency	Phone Number	e-mail address
Karl Fooks	HSDC	587-3830	Karl.Fooks@dbedt.hawaii.gov

*All requirements/approvals and internal controls for this expenditure is the responsibility of the department.
 I certify that the information provided above is, to the best of my knowledge, true and correct.*



 Department Head Signature

6-18-15
 Date

For Chief Procurement Officer Use Only

Date Notice Posted: 6/22/2015

Inquiries about this request shall be directed to the contact named in No. 8. Submit written objection to this notice to issue an exempt contract within seven calendar days or as otherwise allowed from date notice posted to:

state.procurement.office@hawaii.gov

Chief Procurement Officer (CPO) Comments:

Approval is granted for the period 7/1/2015 to 6/30/2016 and the total sponsorships award shall not exceed \$250,000. The department has determined that it would be in the State's best interest to utilize a modified version of an RFP process to award sponsorships throughout the year. This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112 shall apply (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) and the award is required to be posted on the Awards Reporting System. Copies of compliance and the awards posting are required to be documented in the procurement/contract file.

If there are any questions, please contact Stanton Mato at 586-0566, or email stanton.d.mato@hawaii.gov.

Approved

Disapproved

No Action Required



Chief Procurement Officer Signature

7/7/15
Date