

STATE OF HAWAII
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

05 MAY 26 P3:19

TO: Chief Procurement Officer

STATE PROCUREMENT OFFICE
STATE OF HAWAIIFROM: Defense, State Civil Defense
(Department/Division/Agency)

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

Description of goods, services, or construction:

Provides manufacture and statewide distribution via attachment to phone books of Civil Defense Tsunami Awareness information printed on individual magnets for the State of Hawaii State Civil Defense, Department of Defense.

Name of Vendor: Hawaiian Telcom Yellowpages	Cost:
Address: 711 Kapiolani Blvd 8th Floor Honolulu, HI 96813	\$127,140.00

Term of Contract:	From:	To:	Prior Exemption Ref. No. (if applicable)
	October 2005	September 2006	

Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:
The proposed procurement, through competitive means, is not practicable or advantageous to the State of Hawaii for the following reasons:

1. Only Hawaiian Telcom is mandated by regulations to distribute to every household and work place in the State of Hawaii. No other vendor has such a regulatory mandate, so competitive procurement would not provide the state with coverage of the maximum number of households and businesses on all islands.
2. Hawaiian Telcom phone books will also contain disaster preparedness pages that will correspond with the information provided on the attached magnets. Distribution via competitive means other than via attachment to a phone book would not provide the same synergy of information as distribution via phone book. See Attached Continuation.

Details of the process or procedure to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

Selection of the vendor was made based on the criteria described above, and the only vendor who could meet all the criteria was determined to be Hawaiian Telcom. Inquiries were made with other phone book companies and research was conducted on procurement of magnets only, but in the interest of public safety, it was determined that rapid distribution via attachment to Hawaiian Telcom phone books was preferable to other methods of procurement and distribution. Due to the unique layer of regulatory oversight required of Hawaiian Telcom, it was determined that they offered the best possibility for successful distribution of this public safety information to the widest possible audience statewide.

A description of the agency's internal controls and approval requirements for the exempted procurement:

All exempted procurement requests are reviewed by the contracting officer, the departmental fiscal officer and the departmental procuring official, with final approval by the department head or his designee. Approval is only granted after the review and endorsement of the reviewing officials and certification of availability of funds.

A list of agency personnel, by position title, who will be involved in the approval process and administration of the contract:

Contracting and Engineering Officer
 Fiscal Officer
 Deputy Adjutant General
 Vice Director of State Civil Defense
 Adjutant General

Direct questions to: Jonathan Ito	Phone Number: 733-4250
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This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR: Yes No

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS, TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT.

 5/26/05
 _____ Date
 Deputy Adjutant General

 Title (If other than Department Head)

Chief Procurement Officer's Comments:

This approval is for the solicitation process only, chapter 103D-310, HRS, shall apply.

Please ensure adherence to applicable administrative requirements.

APPROVED

DISAPPROVED

 5/2/05
 _____ Date
 Chief Procurement Officer

cc: Administrator,
State Procurement Office

Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State: (continued)

3. Competitive procurement of magnet manufacture separate from distribution was explored and found not practicable due to prohibitive cost of direct distribution to every household in the state and due to the time delay inherent in processing the 1.3 Million direct mailings anticipated in this method. Distribution via attachment to the phone books of Hawaiian Telcom eliminated the high cost in funds and labor associated with a direct mailing, which was determined to be a great advantage to the State.

4. Distribution via attachment to the phone books of Hawaiian Telcom would take place in October 2005 in a complete and usable form, while separate procurement and distribution would take several months longer. Separate procurement was found to be disadvantageous to the state from a public safety standpoint since the proposed procurement would get the information into the hands of the public more expeditiously.

5. Distribution via multiple phone book companies was disadvantageous to the state because while competitive, it would provide unnecessarily overlapping coverage for certain highly populated areas and full coverage on only areas serviced by Hawaiian Telcom. The funds saved by using Hawaiian Telcom alone could more advantageously be used by the state on other public safety issues.