



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

1. TO: Chief Procurement Officer
2. FROM: State Procurement Office

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:

3. Description of goods, services or construction:
30% Recycled Office Paper
Bond, Xerographic, White, dual purpose, 20# sub., No. 4, 500 sheets/ream
8-1/2" x 11", 10 reams/ctn (Stock No. P1054901) = \$33.00 per ctn
8-1/2" x 14", 10 reams/ctn (Stock No. P1054904) = \$44.90 per ctn
11" x 17", 5 reams/ctn (Stock No. P1054907) = \$35.65 per ctn

4. Name of Vendor: Hopaco (Office Max) Address: 94-1489 Moaniani Street Waipahu, HI 96797	5. Price: \$0
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6. Term of Contract: From: 8/7/06 To: 9/30/06	7. Prior Exemption Ref. No.
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8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:
The current vendor, PaperSource Hawaii Inc., has requested to terminate their contract with the State of Hawaii because of their inability to get an allocation from the manufacturer. The new contract does not start until 10/1/06. It is not advantageous to issue an invitation for bids for these items because there are only two vendors with an Oahu based warehouse that are able to supply the volume of 30% recycled office paper that the State requires. Hopaco's quotation is the lowest (see attached). It is in the best interests of the State to identify Hopaco as the vendor on the price list with the specific stock numbers and prices provided. Without this information, agencies may purchase virgin paper. §103D-1005 (e) requires agencies to purchase office paper with recycled content.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
The vendors who have submitted bids in the past have been approached to submit quotes. Only Hawaii Stationery and Hopaco submitted quotes. Hopaco is the low bidder.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
To ensure fair and open competition, all vendors who have submitted bids for recycled office paper with an Oahu based warehouse were approached and asked to submit a quotation.

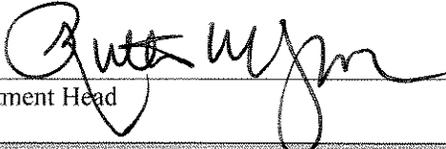
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:		
Name	Position	Involvement in Process
Sharon Koga	Purchasing Supervisor	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Ruth Yamaguchi	Procurement Officer	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
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		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: SPO Contact Name: Vicki Kitajima Phone Number: (808) 586-0566 Fax Number: (808) 586-0570
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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 and correct.*

 _____ Department Head	7/21/06 _____ Date
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Reserved for SPO Use Only

15. Date Notice Posted <u>7/31/06</u>
The Chief Procurement Officer is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to: <p style="margin-left: 40px;"> Chief Procurement Officer State Procurement Office P.O. Box 119 Honolulu, Hawaii 96810-0119 </p>

Chief Procurement Officer's comments:

This request is approved based on the SPO's representation that SPO price list vendor is unable to provide the paper and there is only one other source on Oahu with the warehouse size and ability to provide the amount of paper for this temporary period. This approval is for the solicitation process only, section 103D-310(c), HRS, and section 3-122-112, HAR, shall apply.

16. <input checked="" type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED	 _____ Chief Procurement Officer	8/7/06 _____ Date
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