

**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:

The State Procurement Office will be procuring goods and/or services less than \$100,000 through the Hawaii Electronic Procurement System (HePS) as a demonstration project.

4. Name of Vendor: Various

Address: Various

5. Price:

\$Unknown

6.

Term of Contract: From: 9/1/06

To: 6/30/07

7. Prior Exemption Ref. No.

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:

Section 103D-305, HRS, specifies that procurements less than \$25,000 may be conducted using small purchase procedures as established by rules. To assist with the implementation and testing of the Hawaii Electronic Procurement System (HePS), the State Procurement Office is proposing, as a demonstration project, to conduct small purchase procurements of less than \$100,000 for the Executive Branch. The higher small purchase level is requested to allow a greater number of solicitations via the HePS.

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

The HePS is designed to provide a broader number of businesses the opportunity to respond to procurement solicitations, thereby making the small purchase process open and competitive. Under the HePS, vendors register on the HePS selecting category codes for the types of goods or services they offer. These vendors are electronically notified whenever an agency solicits an online request for quotes for their category of items, for which the vendor can respond electronically. The vendor will receive award notification electronically and thereafter the agency will be able to place the order and make payment.

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

A SPO employee will conduct procurements through the HePS under this demonstration project. Release of the solicitation will require the prior approval of the SPO employee's immediate supervisor with oversight provided by the HePS Program Manager.

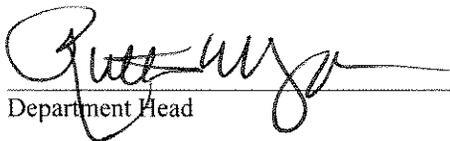
**REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)**

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 checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Ruth E. Yamaguchi	Procurement Officer	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Vicki Kitajima	Purchasing Specialist/HePS Program Manager	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: State Procurement Office 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

8/4/06  
 Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u>8/9/06</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 align="center">                     Chief Procurement Officer                      State Procurement Office                      P.O. Box 119                      Honolulu, Hawaii 96810-0119                 </p>	
Chief Procurement Officer's comments: <p align="center">                     This request is approved on the basis that the HePS is a demonstration project that will be used by the SPO to make recommendations and adjustments prior to its use by other purchasing agencies. This approval shall also allow the SPO to use the HePS for requests received by the SPO via SPO Form 18 that are for procurements less than \$100,000.                 </p>	

16.  APPROVED  DISAPPROVED  NO ACTION REQUIRED

  
 Chief Procurement Officer 8/16/06  
 Date