



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

1. TO: Chief Procurement Officer  
2. FROM: Health/CHD/Tobacco Prevention & Education Program

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:

Plan and develop the media and counter-marketing campaign for the Tobacco Prevention and Education Program (TPEP) to include: creative development of messages for radio, television, print media, and other advertising venues; media and counter-marketing strategies for campaigns targeting both primary and secondary demographic markets; media plans for current and future funding activities; new and creative promotional materials, ideas for partnership, and identifying collaborative sponsorship opportunities; and analysis and evaluation of current creative materials and media campaign. Implementation of a well funded and sustained media and counter-marketing strategy will reduce tobacco use and promote quitting among adults and youth, reduce exposure to environmental tobacco smoke, promote smoking cessation, prevent tobacco use initiation, and reduce disparities among ethnic populations.

4. Name of Vendor: Janet Nagano  
Address: 41-1006 Malolo Street  
Waimanalo, HI 96795

5. Price:  
\$44,100.00

6. Term of Contract: From: 9/1/07

To: 8/31/0~~7~~<sup>8</sup>

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:

See attached.

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

TPEP will continue to inquire with media, advertising, and public relations agencies and with individuals regarding the ability and interest to provide the current level of services needed for media and counter-marketing. Other vendors are limited due to their organizational structure as an agency, their lack of variety, styles, and skill sets in creative approaches to media, flexibility to alter or change media, and ability to offer a more competitive price. The program will continue to assess the skills and abilities of other potential vendors to meet the financial and programmatic needs of TPEP.

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

Program Coordinator:

Develops budget and specifications for media.

Requires pre-approval for each phase of the planning, production, analysis, and evaluation of each media campaign prior to implementation.

Chiefs, Community Health Division AND Chronic Disease Management & Control Branch:

The Branch Chief and the Division Chief separately review and approve each proposal for services, including all creative phases and the production and the placement of media for each campaign.

**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
Sheldon Higa	Account Clerk	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Julian Lipsher	TPEP Program Manager	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Michael Zucker	PHAO	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Danette Wong Tomiyasu	Chief, CDMCB	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Barbara Yamashita	Chief, CHD	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Chiyoame Leinaala Fukino	Director of Health	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: Tobacco Prevention & Education Program Contact Name: Julian Lipsher Phone Number: 586-4662 Fax Number: 586-8252
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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

AUG 20 2007

Date

Reserved for SPO Use Only	
15. Date Notice Posted _____	
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:	
Chief Procurement Officer State Procurement Office P.O. Box 119 Honolulu, Hawaii 96810-0119	
Chief Procurement Officer's comments:  The subject services are competitive. It is recommended that the agency solicit competitive sealed proposals or as small purchase on HePS, to determine an award to the most advantageous offeror. Knowledge and experience of the vendor can be addressed as criteria, and other qualified vendors should be given an opportunity to compete for these services.	

16.  APPROVED  DISAPPROVED  NO ACTION REQUIRED

  
 Chief Procurement Officer

Date 8/28/07

## ATTACHMENT

### REQUEST FOR AN EXEMPTION FROM CHAPTER 103D, HRS

**Explanation describing how procurement by competitive means is either not practicable nor advantageous to the state:**

The purpose of this agreement is to enable the Department of Health (DOH) to reduce tobacco consumption in the state through a sustained, comprehensive, evidence-based public health media and counter-marketing component to its ongoing tobacco prevention and control program funded by a cooperative agreement with the US Centers for Disease Prevention and Control (CDC).

The DOH Tobacco Prevention & Education Program (TPEP) has researched various options there might be in Hawaii to fulfill the CDC requirements. CDC funding is not at levels which could provide for a fully funded (1.0 FTE) position. TPEP determined that a consultant, outside DOH would be the most economical and feasible alternative.

Previous solicitation for this service resulted in only a single response from an independent media contractor. It was determined that larger media, advertising, and public relations firms did not possess the needed skill sets, did not have the necessary community connections to TPEP high risk populations, and could not provide the variety of creative applications for the diverse media needed that was needed. Further, these organizations would charge significantly greater fees for services provided, usually fees beginning at 20 percent over costs that an independent contractor would not charge. Savings to the state from this approach were substantial.

In ongoing discussions with other media service providers, it has become evident that if TPEP were to contract with an agency rather than an individual contractor, TPEP's capabilities to meet CDC requirements and stated program objectives would be at best, limited. If TPEP were to utilize an agency, the time factor to complete the work would increase, the creative options for designing ads and for developing broadcast media would diminish, and the costs for those services would escalate. In working with a full service agency, TPEP would be assigned an account executive who would serve as a middle agent between the program (TPEP) and the creative services, the production services, and the development of purchasing recommendations (placement) needed to complete a job. With an individual contractor, it is possible to work consistently and seamlessly with one individual throughout the entire process without being transferred from one department to another, saving both cost and time. Finally, with a single person handling a media campaign, any changes or revisions can happen without needing multiple explanations to multiple people in a larger multi-layered organization. The process developed over the past six (6) years saves both time and saves a considerable amount of money providing exceptional value to the state.