

APR 18 2007

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

1. TO: Chief Procurement Officer  
2. FROM: Sandra Lee Kunimoto, Chairperson, Board of Agriculture

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 nettle caterpillar, native to Asia, was first detected in Hawaii on the Island of Hawaii in September of 2001. The caterpillar is a serious public health nuisance as well as threat to agriculture. Sharp spines on the surface of the moth are toxic and can readily penetrate skin, causing the affected area to redden, swell, blister, and discolor. Scaring has also been reported.. The chemical released by the female moth to attract the male moth for mating has been identified by the USDA, Agricultural Research Center, Hilo, and 10 grams of the material has been synthesized by a contract laboratory in Russia for USDA, ARS. The 10 gram quantity was custom synthesized for \$4,000. HDOA needs up to a thousand grams (1000) of the pheromone to mount a large scale trapping and mating disruption program for the moth which is now wide spread in East Hawaii, expanding in range in the Haiku area on Maui and present in Kipapa Gulch on the Island of Oahu, with movement now expanding into the Mililani Town area. USDA, ARS, Hilo and others have inquired with U.S. and foreign laboratories for custom synthesis of the pheromone. From these queries it appears certain that only a foreign laboratory will offer production of the pheromone at affordable pricing for the control project in Hawaii.

4. Name of Vendor: Pacific Agriscience

Address: 24C Duxton Hill, Singapore 089607

5. Price:

\$80,000

6.

Term of Contract: From: To be Negotiated To:

7. Prior Exemption Ref. No.

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State: The laboratory in Russia has been approached to prepare 1,000 grams of the pheromone and will commit to produce the pheromone in only 10 gram quantities at a costs of \$5,250 per 10 grams. Other laboratories have supplied quotes for production of 3 - 5 grams for \$24,000; and 10 grams for \$34,000. 1,000 grams is required to mount a large areawide control, and containment program for the moth in Hawaii. Pacific AgriScience based in Singapore extends an offer of \$80,000 for a 1,000 gram synthesis, final price quote to depend on the level of purity required by Hawaii. Other vendors of insect pheromone production have been approached by USDA, ARS and have declined to bid on the production.

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

HDOA, USDA, ARS and the chemist that identified the nettle caterpillar pheromone as a post-doctoral fellow in Hawaii with ARS and who is now a Professor of Chemistry at Eastern Mennonite University in Virginia feel assured that Pacific Agriscience's offer of a 1,000 grams for \$80,000 is an excellent price that can not be matched by any commercial laboratory in the U.S. Prior to issuing of a contract for the production, HDOA will require Pacific Agriscience to supply a milligram quantity of the chemical for analysis by Eastern Mennonite University (Dr. Matthew Siderhurst) for chemical purity and for a bioassay testing in Hawaii by USDA, ARS for moth (male moth) attraction. Pacific Agriscience offers a 2 to 3 months timeline for complete production. The production will be ordered conditional on the results of the analysis for chemical purity and verification of efficacy for male attraction in Hawaii.

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

10. A description of the agency's internal controls and approval requirements for the exempted procurement:  
 A contract will be issued for the production with the contract approved to form by the Office of the Attorney General. Time of Performance and Compensation and Payment Schedule will be negotiated with the vendor for the level of purity and delivery time required for the control program in Hawaii.

The moth is expanding its range in the Mililani area on Oahu and there is an urgency to obtain sufficient pheromone at the earliest possible date to stop this spread on Oahu as well as the spread on Maui and the Island of Hawaii.

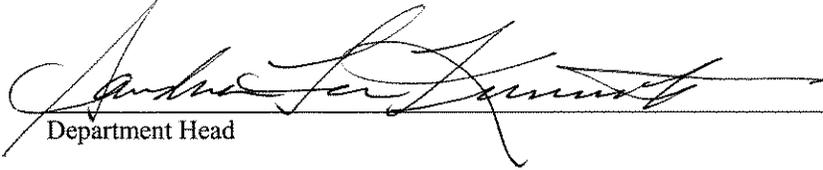
12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:

Name	Position	Involvement in Process	
Sandra Lee Kunimoto	Chairperson, Board of Ag	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Lyle Wong	Adm. Plant Industry Division	<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
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration

13. Direct inquiries to: Department: Agriculture  
 Contact Name: Lyle Wong  
 Phone Number: 808-973-9535  
 Fax Number: 808-973-9533

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

4/17/08  
 Date

**Reserved for SPO Use Only**

15. Date Notice Posted 4/21/08

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

