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STATE PROCUREMENT OFFICE  
STATE OF HAWAII

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

1. TO: Chief Procurement Officer  
2. FROM: State Procurement Office, for all Executive Dept/Agencies

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:  
Out-of-state air and hotel accommodations, and intra-state hotel accommodations. Does not include hotels at which the conference is being held.

4. Name of Vendor: various  
Address:

5. Price:  
\$1.5 million est.

6. Term of Contract: From: 6/1/09 To: May 31, 2010

7. Prior Exemption Ref. No.  
PE08-117-J

8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:  
In the current market conditions, there is no advantage to the State to consolidate the executive branch's requirements for out-of-state air and hotel accommodations, and intra-state hotel into a competitive sealed proposal or bid. In an industry where rates are so volatile, reservations can be made through various sources such as internet, direct with the airlines, or totels, on-line travel agencies, and traditional travel agencies who can offer competitive rates on an as need basis. Agencies can take advantage of any air and/or hotel specials that may be available if the rate is the most economical. SPO conducted an analysis which showed that hotel and air rates obtained with an on-line booking tool were often more economical and more efficient as reservations could be confirmed immediately. Staff can also easily compare rates online simultaneously thereby assuring themselves of obtaining the most economical rates available.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:  
SPO issued Travel Procedures, through Procurement Circular 2007-03 Amendments 1-03. Agencies are required to complete the Travel Worksheets which requires employees to obtain minimum quotes, from different sources, as directed on the worksheet for all services, from a vendor of their choice (i.e. direct vendor booking, online booking agent, travel agency).

10. A description of the agency's internal controls and approval requirements for the exempted procurement:  
Reference each department's procurement delegation authority and internal records.

**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:

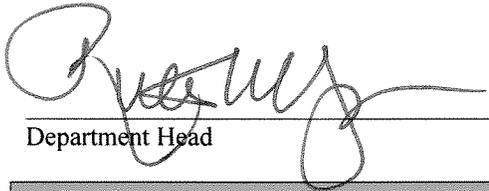
Name	Position	Involvement in Process	
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
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		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration

13. Direct inquiries to:

Department: SPO  
 Contact Name: Bonnie Kahakui  
 Phone Number: 587-4702  
 Fax Number: 586-0567

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.*



4/1/09  
Date

Department Head

**Reserved for SPO Use Only**

15. Date Notice Posted 5/4/09

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:

Departments will be required to complete the SPO Travel Worksheets and obtain the required minimum number of quotations in order to secure reservations for airfare and lodging. All final requirements and approvals are the responsibility of the department and traveler.

16.  APPROVED     DISAPPROVED     NO ACTION REQUIRED

Ann S. Jip    7/29/09  
 Chief Procurement Officer    Date