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

- 1. TO: Chief Procurement Officer
2. FROM: DBEDT/High Technology Development Corporation (HTDC)

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:
Assist HTDC-Manufacturing Extension Partnership (MEP) client companies with completing surveys that collect impact measurements resultant from the specialized business consulting services these companies received through HTDC-MEP.

4 Name of Vendor: Francis Chan
Address: 400 Hobron Lane, Unit 611
Honolulu, Hawaii 96815

5. Price:
\$3,000

6. Term of Contract: From: 2/1/2010 2/10/2010 To: 1/31/2011

7. Prior Exemption Ref. No.

8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:
The survey process begins one year after a consulting engagement/project ends because the NIST survey measures revenue, investment and cost savings realized by the client companies over the one-year period to gauge the business impact of the services that were provided and the economic impact to state economies.

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

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
Procurement will be administered through a Letter of Agreement detailing the scope of work and time of performance deadlines to be accomplished.. The LOA will be managed by HTDC staff and payments will be authorized after it has been determined that the work was satisfactorily performed in accordance with the Letter of Agreement, and upon receipt of original invoices.

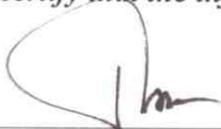
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

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	
Yuka Nagashima	Executive Director	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Janice Kato	Federal Programs Manager	<input checked="" type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Wayne Inouye	MEP Senior Project Manager	<input checked="" type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Steve Sakuda	Accountant	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Coleen Yoshina	Secretary	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration

13. Direct inquiries to:	Department: DBEDT/HTDC Contact Name: Janice Kato Phone Number: 539-3814 Fax Number: 539-3795
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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.*



FEB 09 2010

Department Head

Date

Reserved for SPO Use Only

15. Date Notice Posted 2/10/2010

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:

This approval is based on the department's representation that Mr. Francis Chan has detailed knowledge of the Manufacturing Extension Partnership clients to complete the NIST survey and report that is required as a condition of continued federal funding.

16. **APPROVED** **DISAPPROVED** **NO ACTION REQUIRED**


 Chief Procurement Officer Date 2/22/2010

*Attachment to Notice and Request for Exemption from Chapter 103D, HRS SPO-7
High Technology Development Corporation (HTDC)
Vendor: Francis Chan*

8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State (continued):

survey questions are asking and how the questions relate to the MEP consulting work that was performed, 2) the difference between the major metrics (i.e., New Investment, Cost Savings, New Sales, etc.), and 3) how the quantifiable impacts can be included in multiple areas of the survey.

It is not advantageous to procure anyone by competitive means as they would be unfamiliar with Mr. Chan's clients and their operations, the work that he delivered to his clients, and the expected impact measurements that he worked with and were to be achieved by the clients. Mr. Chan possesses the detailed knowledge of each company and the expected results required to report the bottom line client impact ratio and investment leverage ratios. Unless legally required, these private companies would not release proprietary/financial information to any other vendor.

Mr. Chan also possesses the specified experience (in the manufacturing fields of construction, aerospace, filtration, automotive, coating and metallurgy; and research and development; sales and marketing; industrial engineering; and operations) and education/knowledge (quality and supply chain management training; training and certification from NIST-MEP while with HTDC, e.g., Lean methodologies that eliminate waste throughout production cycles to maximize quality and minimize costs) required for this group of client companies to successfully complete the surveys.