



**STATE PROCUREMENT OFFICE
NOTICE & REQUEST FOR SOLE SOURCE**

12 APR 27 A9:23

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: Transportation, Highways Division, Materials Testing and Research Branch
Name of Requesting Department

Pursuant to HRS §103D-306, and Subchapter 9, HAR Chapter 3-122, the Department requests sole source approval to purchase the following:

1. Describe the goods, services, or construction to be procured.
Verify and calibrate the equipment on the attached list which is used to test and verify highway construction materials. Perform work from mid Oct. thru Nov. 2011 at various locations on Oahu, Maui, Kauai and Hawaii. Familiarity of the equipment and its controls are required and calibration should follow the manufacturers' instructions. Equipment shall be verified according to AASHTO R18 & R28 and calibrated as needed; specifications and special instructions. Documentation requires calibration reports and traceability of standards used.

2. Vendor/Contractor Name: AD-TEK Services International, Inc.	3. Amount of Request: \$ 11,518.32
--	---------------------------------------

4. Term of contract (shall not exceed 12 months), if applicable: From: Oct-11 To: Dec-11	5. Prior Sole Source Ref No.: None
---	---

6. Features: Describe in detail the unique features, characteristics, or capabilities of the goods, services or construction. AD-TEK Services Inc. (ASI) is only known credible technical company that is capable to satisfactorily calibrate, service and maintain per specifications, DOT Hwy laboratory special testing equipment used for testing highway construction materials. There are no known vendors available to test all of the listed equipment. Other test laboratories and industries use ASI to verify and calibrate their test equipment. Thus, the State benefits from a cost reduction in travel and lodging etc. as the cost is shared with the other laboratories and industries through-out the State which includes travel and extended periods of lodging. Service is provided "door to door" as required to calibrate sensitive and/or large equipment in place. Work duration is approximately 2 weeks with 3 technicians.

7. Essential features: Describe in detail how the unique features, characteristics, or capabilities of the goods, services, or construction are essential for the department to accomplish its work. State of Hawaii, DOT Highways laboratory is required to maintain up to date, operational and functional testing equipment to test highway materials daily using calibrated test equipment. Up to date calibrated equipment and calibration records are required by the Quality Assurance and AASHTO accreditation programs as required for State agencies. The State of Hawaii DOT Materials Testing and Research Branch is considered the State's Central Laboratory for the State of Hawaii, and this laboratory is required to maintain accreditation.

8. Describe the efforts and results in determining that this is the only vendor/contractor who can provide the goods, services or construction.

1. Lesson learned from another unskilled vendor obtained for these services a few years ago resulted in poor workmanship, failed equipment and additional costs to obtain another experienced and capable vendor to correct this unskilled vendor's work. 2. Investigated the list of vendors in HePS to see if there were other vendors that listed qualities and expertise in performing this type of service to which no others were found. 3. The State of Hawaii benefits from significant cost savings in travel and lodging expenses since ASI's cost for travel and lodging is dispersed between other laboratories state wide who also calibrate their equipment during the same time period.

9. Alternate source. Describe the other possible sources for the goods, services, or construction that were investigated but did not meet the department's needs.

See 8 item 1 lesson's learned from a problem experienced from another vendor. No other known vendors in the State of Hawaii or abroad (as researched in HePS) are capable to operate, maintain, calibrate and provide certified calibration records for specialized test equipment used for testing highway construction materials in the State of Hawaii.

10. Identify the primary individual(s) who is knowledgeable about this request, who will conduct and manage this process, and has 1) appropriate written delegated procurement authority; and 2) completed mandatory training.

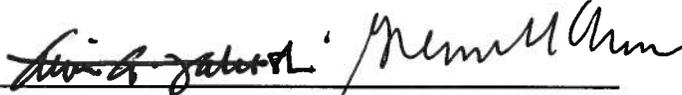
(Type over "example" and delete cells not used.)

Name of Department Personnel	Division/Agency	Phone Number	e-mail address
Brian Ikehara	Highways/MTRB	808-483-2584	brian.ikehara@hawaii.gov

Department shall ensure adherence to applicable administrative and statutory requirements, including HAR Chapter 3-122, Subchapter 15, Cost or Price Data if required.

All requirements/approvals and internal controls for this expenditure is the responsibility of the department.

I certify that the information provided is to the best of my knowledge, true and correct.


Department Head Signature

APR 25 2012

Date

For Chief Procurement Officer Use Only

Date Notice Posted: 4-27-12

Submit written objection to this notice to issue a sole source contract within seven calendar days or as otherwise allowed from date notice posted to:

state.procurement.office@hawaii.gov

Chief Procurement Officer (CPO) Comments:

Sole source method of procurement is utilized when there is only a single source that can provide the goods or services. According to department personnel there are other contractors that can provide the services required for the individual equipment listed. Additionally, prior approval is required on form SPO-001 before the department may contract for the described goods or services. According to the information provided by the department services were rendered October to November 2011.

This request is disapproved and department is required to submit form SPO-016, *Report of Procurement Violation: Findings and Corrective Action and/or Request for After-the-Fact Payment* and explain why the department did not comply with the procurement code and provide corrective action to prevent recurrence.

If there are any questions, please contact Donn Tsuruda-Kashiwabara at 586-0565 or donna.tsuruda-kashiwabara@hawaii.gov.

Approved

Disapproved

No Action Required

Adrian J. [Signature]
Chief Procurement Officer Signature

5/16/2012
Date