

**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

LINDA LINGLE  
GOVERNOR  
THEODORE E. LIU  
DIRECTOR  
MARK K. ANDERSON  
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804  
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355  
Fax: (808) 586-2377

DTS20081222#124523

January 6, 2009

To: Aaron S. Fujioka, Administrator  
State Procurement Officer

From: Theodore E. Liu, Director *ML*  
Department of Business, Economic Development & Tourism

Subject: Request for Approval to Extend Emergency Procurement for Security Guard  
Services for 60 Days

This is to request your approval to extend the Emergency Procurement for security guard services at the Foreign-Trade Zone location at Pier 2 for an additional 60 days.

On August 13, 2008 the Foreign-Trade Zone was informed by the current security guard vendor, Master Guard Security, Inc., that it would not be able to provide service as of August 18, 2008 due to internal company issues. The Foreign-Trade Zone management initiated an emergency procurement procedure in an effort to secure guard services as directed by U.S. Customs and Border Protection policy for a bonded warehouse. The initial period for the emergency procurement was three months which would allow time to contract a new vendor.

During that time, however, the Foreign-Trade Zone was notified by Master Guard Security, Inc. that it had been purchased by Ali'i Security Systems in an effort to avoid default on its contracts. The issue then arose as to Ali'i Security System's qualification and ability to successfully complete the contract for the Foreign-Trade Zone. An additional two months of emergency procurement was requested and granted in order to allow the State to resolve this issue. The State had since determined it was not in its best interest to assign the contract, and the contract was terminated.

During this same time, the Competitive Sealed Bid process was also initiated in an effort to contract a new security guard vendor. Due to the current backlog of work related to personnel vacancies and Departmental audits, it was determined the process to secure a vendor would take an extended amount of time.

The Foreign-Trade Zone is requesting an additional two-month period to ensure enough time to complete the Competitive Sealed Bid process. Without an extension, funding is expected to lapse, leaving the Foreign-Trade Zone without the ability to properly conduct its warehouse

*E.P. 09-018-C*

operations in accordance with trade policy. The extension request will not exceed twenty-thousand dollars (\$20,000) and funds are available in the Foreign-Trade Zone special fund for this purpose.

Should you have any questions, please have your staff contact Mr. Gregory Barbour, FTZ Administrator, at 587-5372.

Recommend Approval / ~~Disapproval~~



Ken Kitamura  
Administrative Services Officer

Date: 1/2/09

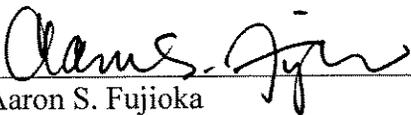
APPROVED       DISAPPROVED



Theodore E. Liu  
Director

Date: JAN 05 2009

APPROVED\*       DISAPPROVED



Aaron S. Fujioka  
State Procurement Officer

Date: 1/21/09

**\*CPO Comments:** This approval for a 2-month extension is based on DBEDT's responsibility to store and protect private property at the FTZ. However, no additional extensions shall be considered without sufficient justification on why a new contract has not been executed in this approved 2-month extension.

E.P. 09018C



STATE PROCUREMENT OFFICE

RECORD OF PROCUREMENT

1. Agency: Foreign-Trade Zone

2. PO/pCard. No. \_\_\_\_\_

3. Date: 10/10/2008

4. Project/Requisition/Work Order No. \_\_\_\_\_

5. This form is for:
- Small Purchase procurements pursuant to HRS §103D-305, \$5,000 to less than \$15,000
  - Small Purchase procurements pursuant to HRS §103F-405, less than \$25,000
  - \*Sole Source Procurements pursuant to HRS §103D-306, less than \$50,000
  - \*Emergency Procurements pursuant to HRS §103D-307, less than \$50,000
- \* Awards shall be posted in accordance with Procurement Circular 2006-01, or as amended.

6. **PART A. Description of good/service/construction:**  
 Provide security services to guard the Foreign-Trade Zone (FTZ), a federally bonded warehouse facility at Pier 2 in Honolulu, from 6:45 AM to 4:15 PM, ensuring the merchandise in the facility is protected. Guards check in and check out all individuals and vehicles entering and leaving the warehouse. Without guard service the FTZ bonded warehouse cannot operate in accordance with Federal regulations.

7. **PART B. QUOTATIONS SOLICITED:**

SELECTION (Check Box)	8. Vendor Name	9. Representative	10. Phone No	11. Date of Quote	12. Amount Quoted
<input checked="" type="checkbox"/>	1. The Wackenhut Corp.	Robert Chang	808-839-1185	08/22/2008	23.78/hr
<input type="checkbox"/>	2.				
<input type="checkbox"/>	3.				
<input type="checkbox"/>	4.				
<input type="checkbox"/>	5.				

RECEIVED  
 ADMIN SVCS. DIV.  
 2008 OCT 24 PM 3:05  
 BUSINESS ECONOMIC  
 DEVELOPMENT & TOURISM

13. **PART C. Justification for inability to obtain minimum three quotations, if applicable:**  
 This request is for an extension to the current emergency procurement. The initial procurement was to ensure the continuation of guard services, while the issue with Master Guard was settled. That issue is still in the process of being remedied. This extension is being requested to allow the Foreign-Trade Zone to complete the Competitive Sealed Bid to contract new guard services. The bid procurement is already in process. The FTZ is requesting a three (3) month extension to complete the process and install the new contractor.

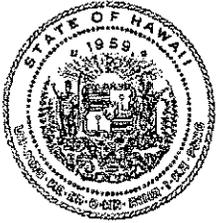
14. **PART D. Justification for award made to other than lowest responsive, responsible vendor:**  
 This is a continuation to an emergency situation.

*[Signature]* 10/14/08  
 15. Signature date  
 Employee soliciting quotations

*[Signature]* 10/24/08  
 16. Signature date  
 Procurement Officer approval

FILE A COPY AS SUPPORTING DOCUMENTATION IN THE PROCUREMENT FILE.

E.P. 09-018-C



DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM

LINDA LINGLE  
GOVERNOR  
THEODORE E. LIU  
DIRECTOR  
MARK K. ANDERSON  
DEPUTY DIRECTOR

FOREIGN-TRADE ZONE NO. 9  
PIER 2, 521 ALA MOANA, HONOLULU, HAWAII 96813  
Web site: www.ftz9.org

Telephone: (808) 586-2507  
Fax: (808) 586-2512  
E-mail: administration@ftz9.org

20081014085606

October 13, 2008

To: Theodore E. Liu  
Director

Through: Ken Kitamura  
Administrative Services Officer

From:   
Gregory P. Barbour  
Foreign-Trade Zone Administrator

Subject: Extension to Emergency Procurement for Security Guard Services

The Foreign-Trade Zone (FTZ) is requesting an extension to the current emergency procurement for security guard services. The initial procurement was for a three-month period during which time the contract issue with Master Guard Inc. was to be settled. The contract issue was sent to the State Comptroller for review and consideration. As of this date, this issue is still being resolved.

The FTZ is requesting an extension in order allow sufficient time to contract and install a new security guard service through the Competitive Sealed Bid process. The bid process has already been initiated and is projected to be completed by mid-January, 2009. The extension request amount will not exceed \$20,000 and funds are available in the Foreign-Trade Zone special fund for this purpose. <sup>20</sup> 

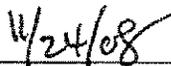
Recommend Approval / ~~Disapproval~~

  
\_\_\_\_\_  
Ken Kitamura

\_\_\_\_\_  
Date

APPROVED / ~~DISAPPROVED~~

  
\_\_\_\_\_  
 Theodore E. Liu

  
\_\_\_\_\_  
Date

BUSINESS ECONOMIC  
DEVELOPMENT & TOURISM  
2008 OCT 13 PM 3:13  
RECEIVED  
ADMIN. SVCS. OFFICE

E.P. 09-018-e



STATE PROCUREMENT OFFICE

RECORD OF PROCUREMENT

1. Agency: Foreign-Trade Zone

2. PO/pCard. No.

3. Date: 8/27/2008

4. Project/Requisition/Work Order No.

- 5. This form is for: [ ] Small Purchase procurements pursuant to HRS §103D-305, \$5,000 to less than \$15,000
[ ] Small Purchase procurements pursuant to HRS §103F-405, less than \$25,000
[ ] \*Sole Source Procurements pursuant to HRS §103D-306, less than \$50,000
[X] \*Emergency Procurements pursuant to HRS §103D-307, less than \$50,000
\*Awards shall be posted in accordance with Procurement Circular 2006-01, or as amended.

6. PART A. Description of good/service/construction: Provide security services to guard the Foreign-Trade Zone (FTZ), a federally bonded warehouse facility at Pier 2 in Honolulu, from 6:45 AM to 4:15 PM, ensuring the merchandise in the facility is protected. Guards check in and check out all individuals and vehicles entering and leaving the warehouse. Without guard service the FTZ bonded warehouse cannot operate in accordance with Federal Regulations.

7. PART B. QUOTATIONS SOLICITED:

Table with 6 columns: SELECTION (Check Box), Vendor Name, Representative, Phone No, Date of Quote, Amount Quoted. Row 1: [X] 1. The Wackenhut Corp., Robert Chang, 808-839-1185, 08/22/2008, 23.78/hr. Rows 2-5 are empty.

13. PART C. Justification for inability to obtain minimum three quotations, if applicable: The current contract for security services is with Master Guard Security. On 8/13/8, Master Guard informed us of a potential change in ownership and may no longer be able to provide services. This change in ownership was imminent and may have left the FTZ without security services. Wackenhut had previously provided security for the FTZ and was familiar with State and Federal Laws governing operations and was aware of the special services required. Security personnel were available to work.

14. PART D. Justification for award made to other than lowest responsive, responsible vendor: This was an emergency situation. Please see attached memo from FTZ Administrator Gregory Barbour to DBEDT Director Theodore Liu dated August 22, 2008 for further details and complete explanation of the critical situation. This approval will cover the 3 month period (beginning August 18, 2008) it will take us to rebid the contract.

Handwritten signature of employee soliciting quotations

8/27/2008

Handwritten signature of Procurement Officer approval

SEP 04 2008

15. Signature Employee soliciting quotations

date

16. Signature Procurement Officer approval

date

FILE A COPY AS SUPPORTING DOCUMENTATION IN THE PROCUREMENT FILE.

E.P. 09-08-C