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

1. TO: Chief Procurement Officer  
2. FROM: DOT/Airports Division

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:

Services to obtain fingerprint based criminal history records check and Security Threat Assessments (STA) from the American Assocation of Airport Executives (AAAE) Transportation Security Clearinghouse for all airport employees and tenants who require security clearance to perform official duties within the public area of the Honolulu International Airport or require unescorted access to the sterile area, security identification display area (SIDA), and airport operations area (AOA).

*Includes all system-wide Airports in the State of Hawaii. Ce 5/6/10*

4. Name of Vendor: American Assocation of Airport Executives (AAAE)  
Address: 601 Madison Street, Suite 400  
Alexandria, VA 22314

5. Price:  
\$460,000

6. Term of Contract: From: July 1, 2010 To: June 30, 2011

7. Prior Exemption Ref. No.  
10-022-B

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

(See Attached)

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

The AA AE is comprised of various airlines and airports who become paying members of this organization. The organization was developed to lobby federal government to keep airline and airport costs down. There are no reasons to believe that another entity would be able to provide such affordable, accurate and timely service at this time. The AA AE is the only non-government agency that performs this function. As stated in Exemption 08-152-C, AA AE is not able to supply the State with the documentation required under Section 103D-310, HRS. An exemption from this requirement is also included in this request (see attached).

10. A description of the agency's internal controls and approval requirements for the exempted procurement:

Purchase orders will be issued on a quarterly basis following our Department's procurement delegation.

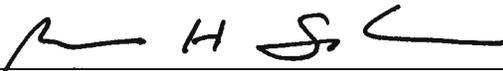
**REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)**

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
James Pratt	Oahu District Manager	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Marvin Moniz	Maui District Manager	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Chauncey Wong Yuen	Hawaii District Manager	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
George Crabbe	Kauai District Manager	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Brian Sekiguchi	Deputy Director of Airports	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Brennon Morioka	Director	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration

13. Direct inquiries to:	Department: DOT- Airport Operations Contact Name: Roy Sakata Phone Number: 808-838-8607 Fax Number: 808-838-8760
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Agency shall ensure adherence to applicable administrative and statutory requirements

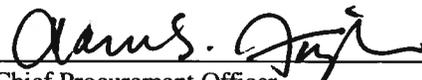
14. *I certify that the information provided above is, to the best of my knowledge, true and correct.*

  
 \_\_\_\_\_  
 Department Head

APR 22 2010  
 \_\_\_\_\_  
 Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u>5/6/2010</u>
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: <p align="center">                     Chief Procurement Officer                      State Procurement Office                      P.O. Box 119                      Honolulu, Hawaii 96810-0119                 </p>	
Chief Procurement Officer's comments: <p align="center">                     This approval is for the period July 1, 2010 to June 30, 2011 for all airports, statewide based on the department's statement that it is the Federal Government (TSA) directive that requires the department to use AA AE for these services. This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112, shall apply. Department is reminded that procurements \$2,500 or more are required to be posted on the Procurement Reporting System.                 </p>	

16.  APPROVED     DISAPPROVED     NO ACTION REQUIRED

  
 \_\_\_\_\_  
 Chief Procurement Officer                      Date 5/21/2010

**State of Hawaii**  
**Request for Exemption from Chapter 103D, HRS**

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**Price:**

\$460,000.00

(\$27.00 per criminal history record check and \$3.00 per Security Threat Assessment)

**Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:**

The U.S. Department of Homeland Security endorses the services provided by AAEE and mandated that airport operators conduct criminal history record checks of all individuals who perform duties in the airport's sterile area or have unescorted access to the airport's security identification display area (Aviation Security Directive 1542-04-08G). The \$27.00 fee for criminal history record check fee is broken down as follows:

\$22.00 to the FBI for conducting criminal history background check  
\$ 3.00 to U.S. Office of Personnel Management (OPM) for its services  
\$ 2.00 to the AAEE for processing, accounting and other administrative expenses

Furthermore, in accordance with Aviation Security Directive 1542-04-08G, airport operators must submit fingerprints for each individual who is applying for or performs duties in the sterile area to the Transportation Security Clearinghouse, except for individuals who have already successfully completed a fingerprint-based criminal history records check.

In addition to criminal history record checks, each airport operator is mandated by the Transportation Security Administration (TSA) to submit a Security Threat Assessment (STA) for all individuals seeking an airport security identification media to perform official duties in the public area or require unescorted access to the sterile area, security identification display area (SIDA), and the airport operations area (AOA). In the past, all STAs were conducted by the AAEE Transportation Security Clearinghouse at no cost to the airport operator. As of January 4, 2010, the Airports are assessed a \$3.00 processing fee per STA which must be submitted upon initial application of a security identification media and upon renewal of a security identification media.

Using AAEE's service greatly reduces airport costs and improves turnaround time to obtain security clearances for personnel who are required to obtain a security clearance.