

STATE OF HAWAII '04 NOV -9 A8:53  
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: Chief Procurement Officer

STATE PROCUREMENT OFFICE  
STATE OF HAWAII

FROM: DOT/Airports Division/Oahu District  
(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:

Description of goods, services, or construction:  
  
Service to obtain fingerprint based criminal history background record checks from the American Association of Airport Executives (AAAE) Transportation Security Clearing House for all airport employees and tenants who require unescorted security clearance or who perform their duties within "sterile" areas of the airport.

Name of Vendor: American Association of Airport Executives	Cost: \$200,000.00
Address: 601 Madison Street Suite 400 Alexandria, VA 22314	(\$29.00 per record check)

Term of Contract:	From: Date of Approval	To: June 30, 2006	Prior Exemption Ref. No. (if applicable)
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Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

The U.S. Department of Homeland Security endorsed the services provided by AAAE and mandated airport operators to conduct criminal history record checks. The \$29.00 fee is broken down as follows:

- \$22 of the total goes to the FBI for conducting the records check
- \$ 5 of the total goes to the US Office of Personnel Management (OPM) for it's services
- \$ 2 of the total goes to AAAE to cover expenses for all front end processing, accounting and customer service.

Furthermore, in accordance with Aviation Security Directive 1542-04-08A, airport operators must submit fingerprints for each individual who is employed or performs duties in the sterile area or is applying for such to the Transportation Security Administration, except for individuals who have successfully completed a fingerprint-based criminal history records check to the American Association of Airport Executives (AAAE) Transportation Security Clearinghouse.

Using AAAE's services greatly reduces airport costs and improves turnaround times to obtain security clearances for personnel who are required to obtain security clearance.

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

The AAAE is comprised of various airlines and airports who become paying members of this organization. The organization was developed to lobby the federal government to keep airline and airport costs down. There are no reasons to believe that another entity would be able to provide such an affordable, accurate and timely service at this time.

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.

A list of agency personnel, by position title, who will be involved in the approval process and administration of the contract:  
 James Pratt, Airside Operations Manager  
 Benjamin Schlapak, Airport Manager, Oahu District  
 Brian Sekiguchi, Deputy Director for Airports  
 Rodney Haraga, Director

Direct questions to: Mr. Deane Kadokawa	Phone Number: 836-6522
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This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR: Yes  No

***I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS, TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT.***

B. J. Haraga 11-5-04  
 Department Head or Designee Date  
 Deputy Director  
 Title (If other than Department Head)

Chief Procurement Officer's Comments:  
 The exemption is for the solicitation process only, section 103D-310, HRS, shall apply.

Please ensure adherence to applicable administrative requirements.

APPROVED

DISAPPROVED

Alan J. Fyfe 11/12/04  
 Chief Procurement Officer Date

cc: Administrator,  
 State Procurement Office