



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

'11 SEP 22 P12:10

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: Attorney General
Name of Requesting Department

SUBJECT: Request for Exemption

Pursuant to HRS §103D-102(b)(4) and HAR Chapter 3-120, the Department requests a procurement exemption for the following:

1. Describe the goods, services or construction.

Maintenance services for the hardware and software of the Hawaii Automated Fingerprint Identification System (AFIS) and its associated components. This includes providing a price list of off which components may be purchased.

| | | | |
|-----------------------------|---|-----------------------|-----------------------|
| 2. Vendor/Contractor Name : | MorphoTrak, Inc. 33405 8th Avenue South, Federal Way, WA 98003 | 3. Amount of Request: | \$ \$364,428 annually |
|-----------------------------|---|-----------------------|-----------------------|

| | | |
|---|-----------------------------------|----------|
| 4. Term of Contract: From: CPO Approval To: 5 years | 5. Prior Exemption Reference No.: | 06-071-C |
|---|-----------------------------------|----------|

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:

See attached.

7. In selecting the vendor/contractor, explain in detail, the process the department will utilize to maximize fair and open competition:

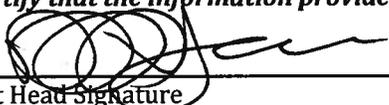
See attached.

8. Identify the primary individual(s) who is knowledgeable about this request, who will conduct and manage this process and has completed mandatory training. (Type over "example" and delete cells not used)

| Name of Department Personnel | Division/Agency | Phone Number | e-mail address |
|------------------------------|-----------------|--------------|--------------------------|
| Laureen Uwaine | AG/Hcjdc | 587-3341 | luwaine@hcjdc.hawaii.gov |
| | | | |
| | | | |
| | | | |

9. The department shall ensure adherence to applicable administrative and statutory requirements, and all requirements, approvals, and internal controls for this request are the responsibility of the department.

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



 Department Head Signature

 SEP 19 2011
 Date

For Chief Procurement Officer Use Only

Date Notice Posted 9/23/11

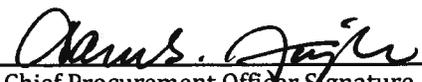
Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from date notice posted to:

Chief Procurement Officer
 State Procurement Office P.O.
 Box 119 Honolulu, Hawaii
 96810-0119

10. Chief Procurement Officer (CPO) Comments:

This request is disapproved as prior procurement exemption (PE 06-071-C) stated the approval was based on the understanding the exemption period not exceed a 5 year period. The PE 06-071-C attachment also indicated that the contract with the vendor was for a 5 year period. During this period, the department did not take any action to re-solicit or raise the issue of the 5 year limit until after the exemption period expired. The department shall use the appropriate procurement method to solicit a AFIS hardware maintenance contract.

Approved
 Disapproved
 No Action Required



 Chief Procurement Officer Signature

 10/19/2011
 Date

Attachment to
NOTICE OF REQUEST FOR EXEMPTION
FROM HRS CHAPTER 103D

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:

The software provided by MorphoTrak, Inc. for the Hawaii AFIS as well as its components is proprietary.

However, there are various brands of hardware used for the Hawaii AFIS. For example, the central components of the Hawaii AFIS (located at the State ICSD) are IBM units. The workstation clusters and the workstations themselves are Dell components. Maintenance for individual manufacturer units is impractical and cannot provide the 24x7 service/support that is required since this system is actively used by law enforcement agencies statewide.

Additionally, when there are issues that are difficult to identify and resolve, valuable time is wasted trying to determine who is responsible to resolve the problem itself. By having hardware and software maintenance under one vendor, this then is not an issue. The customer support engineers (CSEs) are responsible for the entire system and resolution of all technical issues, whether they are hardware or software related, or both. This also ensures that prompt attention is available for any issue on a 24x7 basis.

In this same light, purchasing components for the system is more practical and advantageous from the same vendor. Because proprietary software is loaded onto these components or because the components are required to work in conjunction with proprietary interfaces, issues will be resolved quicker and services can continue to be provided seamlessly to the law enforcement community.

For these reasons, an exemption for maintenance services for the Hawaii AFIS and its associated components is essential.

7. In selecting the vendor/contractor, explain in detail, the process the department will utilize to maximize fair and open competition:

The MetaMorpho upgrade to the Hawaii AFIS was purchased under sole source approval on December 10, 2004. Sole source procurement was granted for hardware and software because of the complexity, sophistication and technological integration between system components for this upgrade.

Performing maintenance on the Hawaii AFIS system requires the following vendor capabilities and skills:

- Thorough working knowledge of the Hawaii AFIS hardware and software;
- Thorough working knowledge of the ancillary system components, such as livescan, cardscan, mugshot capture systems, etc.; and
- Detailed knowledge of the integration and technical connectivity between the AFIS system components and the State's CJIS-Hawaii and the FBI's IAFIS/III systems.

Although the system has been maintained in its entirety by MorphoTrak, Inc., the HCJDC still gave consideration to soliciting hardware maintenance from the selected vendors of the different components or to the purchase of components from different vendors. However, for reasons cited in the previous section, this would have involved multiple contracts which would add confusion and delay to the resolution of problems, especially for difficult problems where the exact cause of failure may not be immediately apparent, and especially for a mission critical system vital to law enforcement that requires 24x7, 365 days a year operational time.

As such, it was determined that maintenance from the primary AFIS vendor, who provided both hardware and software for the upgrade and who has provided exceptional maintenance service in the past, is highly appropriate and most practicable for the State.