



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

13 FEB -8 P4:13

STATE PROCUREMENT OFFICE  
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: Office of Information Management and Technology  
*Name of Requesting Department*

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:  
Request to upgrade software licenses for 2 Fidelis XPS 25 Secure EdgeData Loss Prevention systems currently owned by the state, originally purchased in May of 2012. Upgrade 1 XPS 25 to a Direct 1000 and 2nd XPS25 to a XPS200. These two devices provided the protection for accidental or deliberate (with intent) of loss of sensitive information that the state is required by federal, state or local statutes and maintain the required compliance to information security requirements continue to receive federal grants (I.e. HIPAA, PII, Credit Card Information, etc.) and conduct transactions with other state, federal, local, private institutions and organizations securely.

The license upgrade will allow the devices to increase the network data processing speeds from 25mb/sec (per device) to 1000mb/sec and 200mb/sec respectively.

2. Vendor/Contractor/Service Provider:	Fidelis Security Systems, Inc.	3. Amount of Request:
		\$ 131,600
4. Term of Contract From:	<del>May-12</del> <i>per email 2/28/13 KT</i> To: <del>May-13</del> <i>Todd Crocker</i>	5. Prior SPO-007, Procurement Exemption (PE): NA
	<i>Contract Notice to proceed Date to: 12 months from Notice to proceed date</i>	

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:  
By purchasing licenses directly from manufacturer, while under the current maintenance contract the state can take advantage can extend the maintenance for the systems by 6 months without incurring additional cost. The manufacturer will credit the state for the 6 months of unused maintenance on the 2 XPS25 systems, upgrade costs will include a new 12 month maintenance contract for the Direct 1000 and XPS200 systems extending the maintenance for those 2 systems to Dec-2013.

If a different reseller is used, then the state would be paying 6 months worth of double maintenance, ~\$6,400. Because the new reseller will not credit the unused 6 months manufacturer's maintenance and the manufacturer will not provide a refund to the state for unused maintenance.

See attached.

7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:  
The current vendor was selected via an exhaustive Request for Proposal processes, of which 7 different vendor solutions were reviewed for cost effectiveness, met or exceeded required technical specifications and proven technology to protect state information assets. Original RFP review and selection documentation is on file with OIMT.

2 resellers and the manufacturer were contacted to provide a cost for upgrading the licenses. The manufacturer and resellers responded to the request and of the 3 quotes submitted the manufacturer quoted the lowest price for the necessary license upgrades.

See Attached.

8. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required).

\*Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Agency	Phone Number	e-mail address
Todd Crosby *	OIMT	586-1930 x535	todd.m.crosby@hawaii.gov

All requirements/approvals and internal controls for this expenditure is 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

1-31-2013

Date

For Chief Procurement Officer Use Only

Date Notice Posted: 2/11/13

Inquiries about this request shall be directed to the contact named in No. 8. Submit written objection to this notice to issue an exempt contract within seven calendar days or as otherwise allowed from date notice posted to:

[state.procurement.office@hawaii.gov](mailto:state.procurement.office@hawaii.gov)

Chief Procurement Officer (CPO) Comments:

Approval is granted from the contract's Notice to Proceed Date (NTP) to twelve months from the NTP date and is based on the department's representation that time is a critical factor for the system upgrade, the manufacturer will credit the six months of unused maintenance on the existing system and their price quote for the upgrade was the lowest of the resellers. This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112, shall apply (i.e. vendor is required to be compliant on the Hawaii Compliance Express) and award is required to be posted on the Awards Reporting System.

If there are any questions, please contact Kevin Takaesu at 586-0568, or [kevin.s.takaesu@hawaii.gov](mailto:kevin.s.takaesu@hawaii.gov).

Approved

Disapproved

No Action Required

4/11/2013  
Chief Procurement Officer Signature Date