



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

'13 APR -5 A11 :25

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: Department of Transportation
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:
Furnish and deliver secure programmed identity card stock compatible with the existing security badging system at OGG.

2. Vendor/Contractor/Service Provider: <i>5 dk (7-11-13)</i> Johnson Controls Inc	3. Amount of Request: \$ 27,000 per year
4. Term of Contract From: 04/07/2013 To: 03/31/2015	5. Prior SPO-007, Procurement Exemption (PE):

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:
The badges utilized at Kahului Airport are printed on a secure medium that is pre-programmed by Johnson Controls, Inc. For security purposes, only Johnson Controls can perform the programming. This insures that others cannot duplicate the security features of the badge to gain unauthorized entry to the airport sterile or secured areas. Johnson Controls charges \$4.35 per badge, including tax and shipping. When ordered through Fastenal/Grainger (SPO Vendor List No. 11-10), Fastenal/Grainger is charged \$4.37 per badge, then they add their mark-up plus shipping and tax. The cost comes to \$6.00 per badge. Ordering through the SPO Vendor List would add more than \$9,500 to the cost of the badges (\$1.63 X 5 - 6000 badges issued each year depending on activity levels). No other vendor can match Johnson Controls pricing because they purchase the badges at the same price as the State. The Airports requests a 2 year exemption on the procurement to ~~match the estimated life of the equipment.~~ *transition to the new system.*
dk
7-11-13

7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:
The equipment procurement for the new Statewide access control and CCTV system started in 2012. The vendor, Johnson Controls, was selected through an IFB, Project No. AS1050-25, Contract No. 57337.

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
Dale Tsubaki <i>D</i>	DOT/Airports/Maui	(808) 872-3801	dale.tsubaki@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.

[Handwritten Signature]

Department Head Signature

APR 02 2013
Date

For Chief Procurement Officer Use Only

Date Notice Posted:

4.5.13

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

Chief Procurement Officer (CPO) Comments:

Approval is granted for the period 04/05/13 to 03/31/15. 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 Donn Tsuruda-Kashiwabara at 586-0565 or donna.tsuruda-kashiwabara@hawaii.gov.

Approved

Disapproved

No Action Required

[Handwritten Signature]
Chief Procurement Officer Signature

4/12/2013
Date