

0-0591



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

ADMINISTRATION
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 existing security badging system at DOT Airports, various islands.

2. Vendor/Contractor/Service Provider: Johnson Controls, Inc.
3. Amount of Request: \$ 200,000

4. Term of Contract From: Jun-14 To: Jun-16
5. Prior SPO-007, Procurement Exemption (PE): 12-112D

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:
The badges utilized at various DOT Airports are printed on a secure medium that is pre-programmed by HID/Johnson Controls, Inc. Due to the nature of the security, only HID/Johnson Controls can perform the programming. This assists in insuring that others cannot duplicate the security features of the badge to gain unauthorized entry to the airport sterile area. Johnson Controls charges \$4.37 per badge, including shipping and tax. When ordered through Fastenal/Grainger (WSCA Contract), Fastenal is charged the same price by Johnson Control and must add their mark-ups plus shipping and tax (\$6.00 per badge). The requirement to purchase through competitive means will increase the cost by \$1.63 per badge or approximately \$45,000 each year (30-40,000 badges issued each year, depending on activity levels.) Sole source is only valid for one year, but Airports will have this equipment for at least 10 years. Equipment was procured through IFB AO1095-30 (HNL) and AS1050-30. Examples used are from HNL.

7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:
Badge media will be procured directly from Johnson Controls, Inc. No other method, other than sole source, can be utilized to procure this item at the best price due to the high security nature of the product. Due to the high security of this media and the length of time this product will be required, we believe an exemption is more practical than a sole-source.

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
Brian Kamimoto	DOT/AIR/Maui	808-872-3810	brian.y.kamimoto@hawaii.gov
Christopher Murphy	DOT/AIR/Oahu <i>CM</i>	808-836-6487	christopher.murphy@hawaii.gov
Tiffinie Smith	DOT/AIR/ Oahu <i>Hawaii</i>	808-961-9304	tiffinie.c.smith@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

5.30.14
Date

For Chief Procurement Officer Use Only

Date Notice Posted: 6.13.14

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 June 20, 2014 to June 19, 2016. 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. Copies of the HCE certificate and awards posting are required to be documented in the procurement/contract file.

If there are any questions, please contact Bonnie Kahakui at 587-4702, or bonnie.a.kahakui@hawaii.gov.

Approved

Disapproved

No Action Required

Maia Smith
Chief Procurement Officer Signature

8/12/14
Date