



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

16 FEB -1 A10:52

TO: Chief Procurement Officer

ADMINISTRATION
STATE PROCUREMENT OFFICE
STATE OF HAWAII

FROM: Office of Enterprise Technology Services (ETS)
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:
The Center for Internet Security, Multi-State Information Sharing and Analysis Center (CIS/MS-ISAC) is designated by the U.S. Department of Homeland Security (U.S. DHS) as the key cyber security resource for state, local, territorial, and tribal (SLTT) governments. The CIS/MS-ISAC provides situational awareness and incident response for SLTT governments, and offers no-cost federally-funded and fee-based services to assist in cyber security education and training, to assess cyber threats, and to protect, monitor, detect, respond, and recover from cyber incidents. Through a cooperative agreement with U.S. DHS, the U.S. Congress appropriates about \$16 million annually to CIS/MS ISAC for these services. Currently, the State of Hawaii receives, along with 37 other states, no cost basic CIS/MS-ISAC federally-funded services. To further enhance its cyber security, ETS requests additional CIS/MS-ISAC services, joining 17 other states who pay for higher levels of CIS/MS-ISAC cyber security services delivered in coordination with federally-funded services, such as security benchmarks, web and network assessments.

2. Vendor/Contractor/Service Provider: Center of Internet Security		3. Amount of Request: <i>Sum 2/2/16</i> \$ 35,000 \$ 105,000.00
4. Term of Contract From: 2016 <i>3/1/2016</i>	To: 2019 <i>6/30/2019</i>	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:
Presidential Decision Directive 63 (PPD 63) and Homeland Security Presidential Directive 7 (HSPD 7) authorized creation of Information Sharing and Analysis Centers (ISACs) to protect the nation's critical infrastructure. The CIS/MS-ISAC is organized as a nonprofit organization focused on enhancing the cyber security readiness and response of public and private sector entities, and is the only ISAC supporting state governments. Currently, the CIS/MS-ISAC provides coordinated and integrated protection for the network infrastructure of 38 States and many local governments. CIS/MS-ISAC provides the basic federally-funded services, and as such, is the sole provider with access and ability to expand on current services. No other service provider has access to or can provide any other government specific services, such as staff in the U.S. DHS National Cybersecurity and Communications Integration Center (NCCIC) where information sharing and threat analysis occur among federal agencies (DHS, FBI, etc.), SLTT governments, and private sector partners. Further, CIS/MS-ISAC's 24/7/365 Security Operations Center provides network monitoring, cyber threat warnings and advisories, vulnerability identification and mitigation and incident response specific to requirements of state and local governments.

7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:
In addition to agreements with CIS/MS-ISAC for federally-funded no-cost cyber security services, ETS will enter into multi-year service contracts, as needed, to augment protection of the state's network infrastructure. For example, the CIS/MS-ISAC Netflow Intrusion Detection System Monitoring and Analysis Service, known as Albert, is a near real-time automated process that identifies and alerts on traditional and advanced threats, facilitating rapid response to threats and attacks. Why is Albert services unique?

- Government-specific focus and tailored to SLTT government's cyber security needs.
- Correlation of current and historical data from multiple government, public, and private partners.
- Statistical analysis and signatures from forensic analysis of hundreds of SLTT cyber incidents in a dynamic signature repository.
- Signatures provided by U.S. DHS associated with nation state threat actors; Integration of intelligence for threats specific to SLTTs.
- CIS/MS-ISAC staff permanently deployed at NCCIC, Washington, D.C, for critical real-time information sharing with federal partners.
- Experienced cyber security analysts who review each cyber security event for state-specific actionable events.
- Availability of CIS/MS-ISAC Incident Response Team for immediate forensic and malware analysis.

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
Michael Otsuji	DAGS/ETS	(808) 586-1920 ex 309	Michael.E.Otsuji@hawaii.gov
Quinn Cikaloga*	DAGS/ETS	(808) 586-1920 ex 321	Quinn.K.Cikaloga@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

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2/1/2016 smw/2/2/16

Date

For Chief Procurement Officer Use Only

Date Notice Posted: 2/2/2016

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 3/1/2016 to 6/30/2019. This approval is for the solicitation process only. Pursuant to HRS section 103D-310(c) and HAR section 3-122-112, the procuring officer shall verify compliance (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded, and award is required to be posted on the Awards Reporting System. Copies of the HCE certificates and awards posting are required to be documented in the procurement/contract file.

If there are any questions, please contact Stanton Mato at 586-0566 or email stanton.d.mato@hawaii.gov.

Approved

Disapproved

No Action Required



Chief Procurement Officer Signature

2/10/16

Date