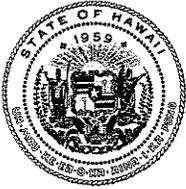


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STATE PROCUREMENT OFFICE
NOTICE OF AND REQUEST FOR EXEMPTION
FROM CHAPTER 103D, HRS

- 1. TO: Chief Procurement Officer
- 2. FROM: Business, Econ. Dev. & Tourism/Foreign-Trade Zone No. 9

Department/Division/Agency

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

3. Description of goods, services or construction:

Monitor the newly installed security system for the Foreign-Trade Zone (FTZ) 9. The FTZ operates a federally bonded warehouse. An updated \$500,000 advanced surveillance and security system was installed that requires monitoring during non-working hours. The system was funded by the Department of Homeland Security and will allow remote surveillance of the Diamond Head end of Honolulu Harbor among other things.

4. Name of Vendor: Maxwell Communications, Inc. Address: dba Security Resources Hawaii 45-955 Kamehameha Hwy, Ste 207, Kaneohe, HI 96744	5. Price: \$30,000
6. Term of Contract: From: 4/15/07 To: 4/14/08	7. Prior Exemption Ref. No.

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:

Maxwell Communications, Inc. dba Security Resources Hawaii was selected under an RFP Design and Build process to develop and install a new security system for the FTZ. The system includes a network of cameras, lights, microwave, infrared and other surveillance equipment to monitor the FTZ facility and surrounding environs. Certain confidential aspects of the system require the use of the same vendor.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

The vendor was selected based on the vendor's design and installation of the security system and, as previously noted, the confidential aspects of the system.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:

The initial request has to be approved by the FTZ Administrator. The request is forwarded to the Department's Administrative Services Office (ASO) for review and approval. If approval is recommended by the ASO, the request is forwarded to the Director for approval and signature.

2-4/12

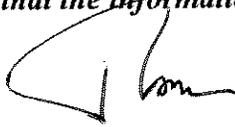
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:		
Name	Position	Involvement in Process
Theodore E. Liu	Director	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Gregory P. Barbour	FTZ Administrator	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Scott Yoshida	FTZ Operations Manager	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: Bus, Econ Dev & Tourism/FTZ Contact Name: Gregory P. Barbour Phone Number: 587-5372 Fax Number: 586-2512
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Agency shall ensure adherence to applicable administrative and statutory requirements

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



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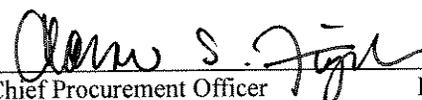
Department Head

Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u>4/03/06</u>
The Chief Procurement Officer is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to: <p align="center"> Chief Procurement Officer State Procurement Office P.O. Box 119 Honolulu, Hawaii 96810-0119 </p>	
Chief Procurement Officer's comments: <p align="center"> This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112, shall apply. </p>	

16.

APPROVED
 DISAPPROVED
 NO ACTION REQUIRED


 _____ 4/10/07
 Chief Procurement Officer Date