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# STATE PROCUREMENT OFFICE NOTICE & REQUEST FOR SOLE SOURCE

ADMINISTRATION  
THE PROCUREMENT OFFICE  
STATE OF HAWAII

TO: Chief Procurement Officer  
FROM: TRANSPORTATION/Hwys/Motor Vehicle Safety Office  
*Name of Requesting Department*

Pursuant to HRS §103D-306 and HAR chapter 3-122, Subchapter 9, the Department requests sole source approval to purchase the following:

1. Describe the goods, services, or construction to be procured.  
FY 2014-15 Document Authentication Scanner software Library Update for 110 scanners that are distributed at the driver licensing stations statewide.

2. Vendor/Contractor/Service Provider Name: Marquis ID Systems	3. Amount of Request: \$82,500 per year
4. Term of contract (shall not exceed 12 months), if applicable: From: <u>7/1/2014</u> To: <u>6/30/2015</u>	5. Prior SPO-001, Sole Source (SS) No.:

6. Describe in detail the following:

a. The unique features, characteristics, or capabilities of the goods, service or construction.  
The document authentication scanner library update is produced by only one company. The library is used in the application process for driver's license and state identification cards. The required documents submitted by applicants must be scanned for validity and then the contents captured and passed to the existing vendors Image Capture Workstation (provided by Marquis ID Systems) for integration with the applicant's DL/ID card photo, signature and demographic data. MIDS familiarity with the database structure and security currently in place allow for a clean, fast and secure implementation of the scanning system software update.

b. How the unique features, characteristics or capabilities of the goods, service or construction are essential for the department  
Storing electronic copies of documents submitted by applicants is more secure and efficient than storing paper documents and allows the applicants to maintain control over the original copies. Authenticating and verifying documents submitted by applicants helps to ensure the validity of the driver license and identification cards issued by the Counties. Scanning documents and storing electronic copies allows clerks to have immediate access to them. This speeds up the issuing process and provides a higher quality service to the public. See attachment for more details.

7. Describe the efforts and results in determining that this is the only vendor/contractor/service provider who can provide the goods, services or construction.

We asked the MIDS president, who is very knowledgeable of driver licensing software, if there was any other company that made the software library. He stated that there was none.

8. Alternate source. Describe the other possible sources for the goods, services, or construction that were investigated but did not meet the department's needs.

Other sources were not sought, because only one company manufactures the needed software.

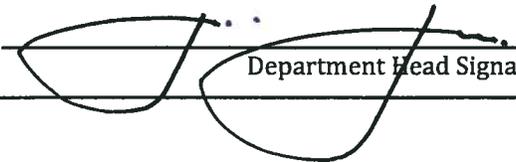
9. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required.)

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

Name	Division/Agency	Phone Number	E-mail Address
John Lovstedt*	HWYS/MVSO	692-7655	john.lovstedt@hawaii.gov

Department shall ensure adherence to applicable administrative and statutory requirements, including HAR chapter 3-122, Subchapter 15, Cost or Pricing Data if required.

*All requirements/approvals and internal controls for this expenditure is the responsibility of the department.  
I certify that the information provided is to the best of my knowledge, true and correct.*

  
\_\_\_\_\_  
Department Head Signature

6.13.14  
\_\_\_\_\_  
Date

**For Chief Procurement Officer Use Only**

Date Notice Posted: 6/19/14

Submit written objection to this notice to issue a sole source contract within seven calendar days or as otherwise allowed from date notice posted to:

state.procurement.office@hawaii.gov

Chief Procurement Officer (CPO) Comments:

This request has been withdrawn by the Department of Transportation. A Report of Procurement Violation (form SPO-016) shall be submitted to the State Procurement Office.

If there are any questions, please contact Kevin Takaesu at 586-0568, or Kevin.s.takaesu@hawaii.gov.

Approved

Disapproved

No Action Required

  
\_\_\_\_\_  
Chief Procurement Officer Signature      Date

10/22/14

## **Introduction**

Since 2008, the State of Hawaii has been implementing plans to be in compliance with the Department of Homeland Security Real ID Final Rules. These rules are designed to prevent terrorism and reduce fraud by improving and strengthening the capabilities of the driver's license and state identification card issuance processes. One of the improvements implemented was the capability of scanning, verifying, storing and retrieving legal documents (passports, visas, driver's licenses, military IDs, social security cards, alien registration cards, and so on) submitted by applicants. This required the acquisition of scanners and associated software. The software must not only operate the scanners; it must be integrated with the mainframe computer that contains all the driver licensing and state identification card data.

The software, which is made by only one vendor, must be updated each year in order to stay abreast of the many documents in use throughout the world. The cost of purchasing and installing software updates that are already programmed for the scanners in use is significantly less than purchasing a whole new system whenever the software becomes outdated. It is similar to purchasing upgraded software for an operating system to a home computer rather than purchasing completely new software. The software needed for the scanners is designed specifically for the scanners that the Counties are currently using. Therefore, staying with the same software vendor is practical in terms of purchase cost, training, integration with the mainframe and data security.

## **Interface to Existing Driver License and State ID Systems**

The scanning system must be implemented on the State's driver licensing/identification card issuance workstations throughout the state. This is where the applicant begins processing. The required documents submitted by applicants' must be scanned for validity and then the content captured and passed to the existing vendors Image Capture Workstation (provided by Marquis ID Systems) for integration with the applicant's DL/ID card photo, signature and demographic data.

## **Training, Implementation and Service**

### **Training**

Virtually no training will be needed, because the clerks already know how to use the units that contain the software library. Any needed training will be provided by MIDS, because MIDS is the current vendor and is familiar with the database structure and security features currently in place.

### **Implementation**

MIDS has years of experience with the different networking/security topologies utilized in each Hawaii county. MIDS has implemented their secure data transfer applications and software updates across the required six islands without incident.

Service

Service will be supplied by MIDS. The State of Hawaii and the Counties will have a single point-of-contact for all their service needs.

**Specific Security Concerns**

The security of applicant data, demographics and images is the most important element of any DL/ID System. Extreme care must be taken to prevent data tampering and/or identity theft from the applicant database. Access to this data must be strictly monitored and limited to only those agencies that truly require the use of this data. MIDS familiarity with the database structure and security currently in place allow for a clean, fast and secure implementation of the scanning system software update.

**Conclusion**

The State of Hawaii will greatly benefit from the ability to sole source the procurement of the updated document scanning software library. It will ensure the uninterrupted service to the residents of Hawaii who make application for a driver's license or state identification card.