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STATE PROCUREMENT OFFICE NOTICE & REQUEST FOR SOLE SOURCE

ADMINISTRATION
STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer
FROM: Department of Hawaiian Home Lands
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.
 1. Cloud Hosting of DHHL files (applicant and lessee files, HHC Minutes, Maps, Buke Files, etc.) for a time period of 1 year.
 2. Annual maintenance and support for Viatron Software (EMC ApplicationXtender 6.5)
 3. Mail Merge service to digitally file DHHL offering letters to beneficiaries within EMC ApplicationXtender 6.5.

2. Vendor/Contractor/Service Provider Name: Viatron Systems, Inc.	3. Amount of Request: \$30,359.00
4. Term of contract (shall not exceed 12 months), if applicable: From: <u>9/15/2015</u> To: <u>9/14/2016</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.

In June 24, 2013, DHHL and DAGS-OIMT executed a contract to convert DHHL's applicant and lessee files from paper to electronic format. Originally procured as an RFP (RFP-13-HHL-003), the winning proposal went to Viatron Systems, Inc. Stated in their proposal, the monthly cost for hosting the data on the cloud is \$3 per gigabyte. This totals to \$18,635.00 per year given the amount of DHHL data they are housing. An additional \$6,272 cover the cost of one-year of annual maintenance fees for the software DHHL is using to access the data from the cloud that Viatron is hosting. Within this one-year period, DHHL plans to move the data from the cloud onto DHHL's server. \$5,452.00 covers the mail merge service, which digitally files DHHL offering letters sent to beneficiaries. Viatron quotes are attached.

b. How the unique features, characteristics or capabilities of the goods, service or construction are essential for the department

This service allows DHHL employees to access applicant and lessee data from their computer desktop rather than accessing paper files in DHHL's file room. It speeds up transactions with beneficiaries, reduces traffic in the file room, and multiple staff members can access the same file at the same time.

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.

As DHHL's data is being housed on Viatron's cloud, we would need to utilize their services and software, until DHHL can move the data onto its own servers.

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.

N/A. As Viatron houses all DHHL data on its cloud, procurement by competitive means, or any other possible sources cannot occur.

Note for Item #9 below. The original procurer and contract administrator was Blake Uchida who left the DHHL in 2013. Atina Soh has stepped in after the contract was in place to assist in this project.

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

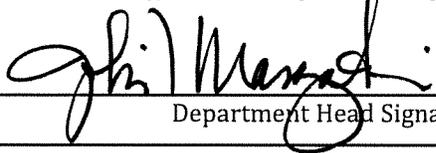
*Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Agency	Phone Number	E-mail Address
Atina M. Soh	LDD-Housing	620-9234	atina.m.soh@hawaii.gov
Kamana'o Mills*	OCH	620-9508	kamanao.mills@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

8/18/15
Date

For Chief Procurement Officer Use Only

Date Notice Posted: 9-1-15

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

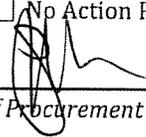
Chief Procurement Officer (CPO) Comments:

Approval is granted for the period 9/15/2015 to 9/14/2016 and is based on the department's representation that services for cloud hosting, annual maintenance and support and mail merge services can only be provided by Viatron Systems, Inc. (Viatron) because Viatron currently houses all the department's data on its cloud.

HRS Section 103D-310(c) and HAR section 3-122-112 shall apply (e.g., vendor is required to show proof of compliance and may use the Hawaii Compliance Express) and award is required to be posted on the Awards Reporting System. Proof of compliance and awards posting are required to be documented in the procurement/contract file.

If there are any questions, please contact Donn Tsuruda-Kashiwabara at 586-0565, or donna.tsuruda-kashiwabara@hawaii.gov.

Approved Disapproved No Action Required



Chief Procurement Officer Signature Date 11/24/15