

**HAWAII HEALTH SYSTEMS CORPORATION  
NOTICE OF AND REQUEST FOR EXEMPTION  
FROM CHAPTER 103D, HRS**

1. TO: Chief Procurement Officer

2. FROM: James Brady

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:

**Redundant Internet Access**

Currently HHSC has only one Internet connection, provided by TW Telecom. Should this circuit go down, critical HHSC and EMR/HIS services and patient care will be negatively impacted. A second, redundant Internet connection with Hawaiian Telecom is required to provide the required connectivity.

4. Name of Vendor: **Hawaiian Telecom**

Address: **1177 Bishop Street  
Honolulu, HI 96813**

5. Price:

**\$55,890.00**

6. Term of Contract: From: **12/25/11**

To: **12/24/12**

7. Prior Exemption Ref. No.

**N/A**

a. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:

There are only two Internet providers in the state of Hawaii; TW Telecom and Hawaiian Telecom and a limited number of Internet access "re-sellers". HHSC already has TW Telecom as our primary Internet service provider and our requirement is to have a different service provider to meet our backup Internet requirements. The existing backup Internet service is contracted through a "re-seller", however the "re-seller" has its own wireless connection to Hawaiian Telecom which is believed to be a bandwidth bottleneck. The "re-seller" is also more expensive than contracting directly with Hawaiian Telecom. Hawaiian Telecom would connect directly to our demark and avoid the wireless connect point. A competitive procurement would not resolve the identified technological constraints that are inherent with access "re-sellers".

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

**An annual market survey will be conducted to determine if new Internet Service Providers are available and technologically viable for use by HHSC.**

*JB*

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

**HHSC Corporate Procurement Policies and Procedures are maintained and updated periodically to address procurement delegation, procurement methods, authority to administer contracts and other related procurement matters.**

11. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:

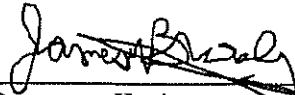
Name	Position	Involvement in Process	
Edward N. Chu	Chief Financial Officer	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
James Brady	IT Director	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Joe Evanoff	Procurement Director	<del><input checked="" type="checkbox"/> Approval</del>	<input checked="" type="checkbox"/> Administration
A.A. Stransky	Contract 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

12. Direct inquiries to:

Department: IT Dept.  
 Contact Name: James Brady  
 Phone Number: jbrady@hhsc.org  
 Fax Number:

13. This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR: YES  NO   
 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.

  
 Department Head

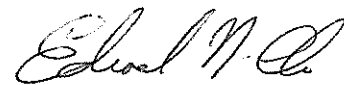
12/13/2011  
 Date



15. Date Notice Posted \_\_\_\_\_

The Head of the Purchasing Agency 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 (7) calendar days or as otherwise allowed from the above posted date to:

Chief Procurement Officer  
 HHSC  
 3675 Kilauea Ave.  
 Honolulu, Hawaii 96816



Chief Procurement Officer's comments: