

HAWAII HEALTH SYSTEMS CORPORATION NOTICE OF AND REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS		EX 13-0001 Exemption No:
1. TO: Chief Procurement Officer		
2. FROM: Heath Hollenbeck-TSD		
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: MOVEIt DMZ Secure FTP Service. This is a Software-as-a-Solution (SaaS) Model. Product includes the client ftp software, set up of the branded servers hosted by Ipswitch and 2 hours of WebEx training. The SaaS model also includes High Availability through redundancy.		
4. Name and Address of Vendor: Ipswitch, Inc. P.O. Box 3726 New York, NY 10008-3726		5. Price: \$15,000 - three year term
6. Term of Contract: Date of Execution - Three Year Term		7. Prior Exemption Ref. No.
8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State: HHSC is looking for a SaaS (in the cloud) Secure FTP model and not just the software for secure FTP. HHSC was unable to find other Enterprise level Secure FTP SaaS models that met or exceeded our security needs. It is also very difficult to compare the various small business cloud services to enterprise level, high availability cloud services. MoveIt DMZ also has an Ad_hoc secure FTP feature via Outlook that was not found with other providers. By purchasing a SaaS model and not simply procuring the software and installing it HHSC servers, we are able to take advantage of High Availability and Disaster Recovery by the SaaS provider and by-pass the added costs of supplying the same infrastructure at HHSC.		
9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: Based on assessments performed by Siemens and validation by HHSC stakeholders it was determined a Secure FTP service was needed to support project needs. Reaching out to medical industry leaders MoveIt DMZ by Ipswitch was recommended as the best option for an enterprise SaaS secure FTP service. No other vendors were recommended for an enterprise solution and no other enterprise solutions were found. HHSC will periodically review industry channels to determine if viable alternates are able to compete as practicable.		
10. A description of the agency's internal controls and approval requirements for the exempted procurement: This exemption shall be from HRS, Section 103D-303, and all other guidelines, rules and policies under chapter 103D shall be upheld. HHSC policies and procedures will be followed and periodic reviews of contract action will be performed.		
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
James Brady	Director Technical Services	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Joe Evanoff	Contracts/Materials Management Director	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Edward Chu	Corporate CFO	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration

12. Direct inquiries to:

Contact Name: Andrew Alvarez
Phone Number: 808.442.5212

Agency shall ensure adherence to applicable administrative and statutory requirements
13. I certify that the information provided above is, to the best of my knowledge, true and correct.

ALAN S. ITO
Department Head (Print: ALAN S. ITO)

7/30/2012
Date

Reserved for CPO/Deputy Use Only

14. Date Notice Posted: 7/30/12

The CPO 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:

- 15. APPROVED
- DISAPPROVED:
- NO ACTION REQUIRED

Edward N. Ch...
HHSC Chief Procurement Officer - Signature

8/7/12
Date