

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

EX Number: EX-13-006

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: RedCloud Enterprise Part# RCE-32 is a web-based PACS Appliance access control system. The product supports up to 500K identities and 32 door access readers. This access control system will provide physical door access and "tap and go" sign onto Personal Computers. The costs associated with this exemption are part of approved Purchase Request #1594.

4. Name and Address of Vendor:
RedCloud Security, Inc.
Atlantic Corporate Park
45610 Woodland Road, Suite 130
Sterling, Virginia 20166

5. Price: \$15,000

6. Term of Contract: one year term (one time purchase)

7. Prior Exemption Ref. No.

8. Explanation describing how procurement by competitive means is either not practical or advantageous to the State: HHSC is implementing Identification Badges for all employees to be used with physical door access and "tap and go" sign onto Personal Computers. These badges will be using the iClass technology and require a centralized network device to authenticate users to the EMR system. Currently the W. Hawaii region is installing a new RedCloud Access Control System that supports the iClass technology. In order to not introduce a 2nd access control system in to the equation it was determined it was best to work cooperatively with the W. Hawaii region. HHSC will also achieve redundancy by joining the databases of the RedCloud devices in W. Hawaii and Oahu. If we went with another access control system we would not be able to recognize this redundancy without additional costs. Therefore, it is neither practical nor advantageous to procure the product via competition in order to realize compatibility and cost savings.

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 and W. Hawaii staff it was determined an access control system was needed to support the EMR project needs. Reaching out to access control industry leaders we found a few products that would meet the needs for HHSC. However, it is most technically efficient and fiscally advantageous to combine the needs of W. Hawaii and Corporate. There are significant cost savings realized by not introducing a 2nd access control system to HHSC. Once the exemption to move forward with the RedCloud Access Control system is approved, HHSC will gather bids from at least 3 resellers who offer the RedCloud Security product to insure HHSC receives the best price for the product.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
The exemption request is reviewed by senior management of HHSC, and then forwarded to the corporate director of contract management for review in accordance with HHSC policies and procedures. The President and CEO of HHSC approve the exemption request covering more than one facility and in accordance with internal procurement policies and procedures.

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
Andrew Alvarez	Sr. Contract Manager	<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.

James W. Brady

Digitally signed by James W. Brady
DN: cn=James W. Brady, o=Hawaii State Health System, ou=HHSC,
email=jbrady@hhsc.org, c=US
Date: 2012.10.18 13:05:55 -1000

10/18/2012

Department Head (Print: _____)

Date

Reserved for CPO/Delegee Use Only

14 .Date Notice Posted: 10/18/12

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 REQUIR

Edward N. O.
HHSC Chief Procurement Officer - Signature

10/25/12
Date