

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

Number: EX-13-018

**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:**

The technical services division (TSD) at HHSC Corporate IT has an immediate need for additional staff resources to support the new LAN, WAN, WLAN, and network and web security infrastructure currently being deployed to support the EMERGE project at HHSC.

**4. Name and Address of Vendor:**

Hawaiian Telcom  
O: 808.546.1515 | C: 808.342.8661 | F: 808.546.8288  
[kevin.uveda@hawaiiantel.com](mailto:kevin.uveda@hawaiiantel.com)

**5. Price:** \$374,000 for 6 months, with option to extend to up to 1 year (\$748,000 total NTE value)

**6. Term of Contract:** From: Date of Execution To: One Year

**7. Prior Exemption Ref. No.**

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

Based on: (1) a review of industry best practice IT staffing recommendations, peer healthcare organization staffing counts, and the existing HHSC IT staffing ratios that have shown that HHSC requires additional IT staff support in these technologies; (2) being unable to recruit and fill the required EMERGE-related LAN, WAN, WLAN, and network and web security role due to a lack of qualified candidates for the positions that have been posted; and (3) the short time frame available to fill the aforementioned positions before the EMERGE project go-live on 2/1/2013, HHSC seeks to procure a one year contract with Hawaiian Telecom for staff resources. Hawaiian Telecom has been identified as being able to backfill these positions, until such time as a qualified full time candidate can be hired. Therefore procurement by competitive means is not practicable or advantageous to the State.

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

Due to the reasons outlined in #8 above, direct negotiation with Hawaiian Telecom to immediately secure additional staffing resource is needed.

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

The exemption request is reviewed by HHSC senior management and then forwarded to the corporate director of contracts management for additional review in accordance with HHSC policies and procedures. The President and CEO of HHSC (or his delegated CPO) approves the exemption requests covering more than once facility and in accordance with internal procurement policies and procedures. HHSC policies and procedures will be followed and periodic reviews of the 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	
Alan Ito	CIO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
James Brady	Director of Technical Services	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Joe Evanoff	Director of Contracts	<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: James Brady  
Phone Number: 808-733-4090

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.

Department Head (Print: Alan Ito ) Date 11/28/12

14 .Date Notice Posted: ~~XX/XX/XX~~ 12-4-12

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. O. HHSC Chief Procurement Officer - Signature Date 12/10/12