

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

**EX15-026**

**1. TO:** Chief Procurement Officer

**2. FROM:** Heath Hollenbeck

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 two Internet connections. One with Time Warner and one with Hawaiian Telecom. The Hawaiian Telecom contract is expiring. This is a request to create a new contract with Hawaiian Telecom.

**4. Name and Address of Vendor:** Hawaiian Telcom, 1177 Bishop St., Honolulu, HI 96813

**5. Price:** Estimated \$80,000

**6. Term of Contract:** From: Feb 9, 2012 To: Feb 8, 2016

**7. Prior Exemption Ref. No.**  
EX11-018

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

There are only two primary Internet providers in the State of Hawaii; TW Telecom and Hawaiian Telecom. HHSC already uses TW Telecom as our primary Internet service provider and our requirement is to have diverse carrier redundant Internet access. Our only option is to procure Internet service with Hawaiian Telecom. Since they are the only option there is no reason to competitively bid this against TW Telecom that HHSC already utilizes.

**9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition 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	
Joe Evanoff	Director Contracts/Materials Management	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
A.A. Stransky		<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Edward N. Chu	HHSC CFO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct inquiries to:

Contact Name:  
Phone Number:

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

  
Department Head (Print: Jeff Eilers )

Date

1/14/15

Reserved for CPO/Delegee Use Only

14 .Date Notice Posted: 1/14/15

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

  
HHSC Chief Procurement Officer - Signature

Date

1/21/15

DISAPPROVED:

NO ACTION REQUIRED