UNIVERSITY OF HAWAII NOTICE OF EXEMPTION FROM CHAPTER 103D, HRS

The President, University of Hawaii, is in the process of reviewing the request from				
Information Technology Services	(Department/Campus) for exemption			
from Chapter 103D, HRS, for the following goods, services, or con-	struction:			
Operations and Maintenance for 2 x 40Gbps Ethernet circuits from t Cross Cable Network - Kahe Point Cable Station.				
Vendor: Hawaiian Telcom (If known) 1177 Bishop Street Address: Honolulu, Hawaii 96813				
Term of Contract: From: To: (If known) annually renewable	Cost: \$174,000.00/year(est.			
Direct any inquiries to: Department: Information Technology Services Contact Name/Title: Christopher Zane, Manager Address: 2520 Correa Road Honolulu, Hawaii 96822	Phone Number: (808) 956-0974 Fax Number: (808) 956-7483			
	March 25, 2014 Date Posted:			

Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven (7) calendar days from the date posted to:

Office of Procurement and Real Property Management 1400 Lower Campus Road, Room 15 Honolulu, Hawai'i 96822

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: OFFICE OF PROCUREMENT AND REAL PROPERTY MANAGEMENT

FROM: Information Technology Services

(Department/Program)

Pursuant to APM Section A8.220, the Department requests a procurement exemption to purchase the following:

Description of goods, services, or construction:

Operations and Maintenance for 2 x 40Gbps Ethernet circuits from UH Manoa to Southern Cross Cable Network - Kahe Point Cable Station. The increased capacity that the 40Gbps circuits provide will greatly enhance the University's connectivity to the Internet2 and International Research and Education networks and provide the University's research community equal access to those resources as their mainland peers currently have.

Estimated Cost: \$ 174,000/year

(1) Explanation describing how procurement by standard competitive means is either not practicable or not advantageous to the University;

The University through its federal grants had an opportunity to procure the non-recurring (i.e. one time setup) costs for two 40Gbps circuits to enhance its connectivity to the Internet2 and International Research and Education networks. By utilizing the federal funds to procure the non-recurring costs, the University would only need to fund the ongoing operations and maintenance costs of the 40Gbps circuits.

(2) Details of the process or procedures to be followed in selecting the vendor to ensure as fair and open competition as practicable;

The University performed a competitive bid for two 40Gbps ethernet circuits from UH Manoa to the Southern Cross Cable Network (SCCN) Kahe point cable station via the RCUH procurement process. Two vendors were asked to provide quotes for the circuits. These two vendors are the only two vendors in Hawaii that could have provided the services. If a competitive bid was done through the UH Procurement process the outcome would have been exactly the same since the only two vendors who could provide such services would be the same who replied to the RCUH bid. The winning vendor of the RCUH bid must be the one awarded the operations and maintenance costs as they own the network and network components used by the circuits. They would be the only ones who could perform the necessary operations and maintenance.

A description of the Department's internal controls and approval requirements for the (3)exempted procurement; and

The availability of these services is monitored to ensure that ITS understands and is familiar with the capabilities of all potential vendors able to offer this class of services to the University. All such requirements are reviewed internally with the University's Chief Information Officer (ITS) to ensure that the approach and selection are sound; any selection and justification are also reviewed by ITS Fiscal Administration and OPRPM in accordance with current University administrative procedures.

(4) A list of Department personnel, by posi process and administration of the contra		n the ap	proval
Chris Zane, Network Engineering Manager Craig Shinsato, Fiscal officer			
Direct questions to: Chris Zane	Phone: <u>x60974</u>		
I CERTIFY THAT THE INFORMATION PROVINGENCE.	/IDED ABOVE IS TO THE BES	ST OF M	ΙΥ
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Chris Zane Full Name of Principal Investigator, Department Head, or Administrator	Signature	<u>خ</u>	/13/2614 Date
Craig Shinsato	0. 04.	12	031.11
Full Name of Fiscal Officer	Signature Signature	als	Date Date
APPROVED:	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		
Steven Smith	George Zi	MAR	1 4 7014
Full Name of Vice President or Chancellor	Signature		Date
FOR OPR	PM USE ONLY		
OPRPM COMMENTS:			
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APPROVED DENIED		APR	8 2014
PRESIDENT, UNIVERSITY OF HAWAII			DATE