

DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
INFORMATION AND COMMUNICATION SERVICES DIVISION

LEGAL AD DATE: DECEMBER 21, 2012

REQUEST FOR PROPOSALS  
No. RFP-13-004

SEALED PROPOSALS  
TO  
REPLACE A P590 ADVANCED INTERACTIVE eXecutive (AIX) COMPUTER AND  
PROVIDE A CONSOLIDATED STORAGE SYSTEM UNDER A LEASE FOR THE  
STATE OF HAWAII

WILL BE RECEIVED UP TO 2:00 P.M. (HST)

ON

FEBRUARY 1, 2013

IN THE INFORMATION AND COMMUNICATION SERVICES DIVISION (ICSD),  
KALANIMOKU BUILDING, 1151 PUNCHBOWL STREET, ROOM B-10, HONOLULU,  
HAWAII 96813. DIRECT QUESTIONS RELATING TO THIS SOLICITATION TO  
MR. WAYNE SASAKI, TELEPHONE (808) 586-1940, EXTENSION 343, FACSIMILE  
(808) 586-1922, OR E-MAIL AT WAYNE.T.SASAKI@HAWAII.GOV. PROCUREMENT  
QUESTIONS RELATING TO THIS REQUEST FOR PROPOSALS SHALL BE  
DIRECTED TO MS. SHARON WONG, TELEPHONE (808) 586-1920, EXTENSION  
309, FACSIMILE (808) 586-1922, OR E-MAIL: SHARON.N.WONG@HAWAII.GOV.

  
\_\_\_\_\_  
State Comptroller

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## SECTION 1

### INTRODUCTION AND KEY DATES

#### 1.1 NOTE TO OFFERORS

Offerors are encouraged to read each section of the RFP thoroughly. While sections such as this Introduction and Key Dates may appear similar among RFPs, they may not be identical. It is the responsibility of the Offeror to understand the requirements of this RFP.

Offerors shall note that this RFP will result in a lease contract for the Department of Accounting and General Services' Information and Communication Services and Accounting Divisions.

#### 1.2 PROCUREMENT TIMETABLE

Offerors shall note that the procurement timetable represents the State's best estimated schedule. If a component of this timetable is delayed, the rest of the timetable may be adjusted by the same number of days. Contract start dates may be subject to the issuance of a notice to proceed. All modifications of the estimated schedule as well as any part of this RFP will be made through the issuance of an Addendum.

| Activity  | Scheduled Date  |
|---|---|
| Public Advertisement of RFP and Pick-up               | 12/21/2012  |
| RFP orientation session                               | N/A   |
| Site visit  | On request before<br>12/31/2012                         |
| Deadline for Written Inquiries, 2:00 p.m. (HST)       | 01/11/2013  |
| State's Response to Offeror's Written Inquiries       | 01/18/2013  |
| Proposal Submittal Deadline, 2:00 p.m. (HST)          | 02/01/2013  |
| Offeror's Presentations and Discussions, if required  | Within 14 days after RFP<br>Proposal Submittal Deadline |
| Best and Final Offer (BAFO) Deadline, 2:00 p.m. (HST) | To Be determined  |
| Proposal Evaluation Period                            | Within approximately 14<br>days after Date of BAFO      |
| Contractor Selection                                  | Within approximately 21<br>days after Date of BAFO      |
| Estimated Date of Notice of Award                     | Within 7 days after<br>Contractor Selection             |
| Estimated Contract Start Date/Notice to Proceed       | Within 7 days of Notice of<br>Award                     |

#### 1.3 WEBSITE REFERENCES

All applicable websites referenced by this RFP are listed in this section. For general information on procurement, Offerors should refer to the State Procurement Office (SPO) website at <http://hawaii.gov/spo/>.

**1.3.1 SPO Websites**

Specific information:

| For  | Website References  |
|--|---|
| Hawai'i Administrative Rules                                 | <a href="http://www.spo.hawaii.gov/statutes-and-rules/admin-rules">http://www.spo.hawaii.gov/statutes-and-rules/admin-rules</a> |
| Protest Forms/Procedures                                     | <a href="http://www4.hawaii.gov/StateFormsFiles/spoh806_0403.pdf">http://www4.hawaii.gov/StateFormsFiles/spoh806_0403.pdf</a>   |
| SPO Form-22 "Certification for Compliance for Final Payment" | <a href="http://www4.hawaii.gov/StateFormsfiles/form221.pdf">http://www4.hawaii.gov/StateFormsfiles/form221.pdf</a>             |

**1.3.2 Non-SPO Websites**

Offerors should note that website addresses may change from time to time. If a link is not active, try the State of Hawai'i website at <http://hawaii.gov>.

| For  | Website References   |
|--|--|
| Tax Clearance Forms (Department of Taxation Website)               | <a href="http://hawaii.gov/tax/">http://hawaii.gov/tax/</a><br>click "Forms"   |
| Wages and Labor Law Compliance, Section 103-55, HRS                | <a href="http://capitol.hawaii.gov/">http://capitol.hawaii.gov/</a><br>click "Bill Status and Documents" and "Browse the HRS Sections" |
| Department of Commerce and Consumer Affairs, Business Registration | <a href="http://hawaii.gov/dcca">http://hawaii.gov/dcca</a><br>click "Business Registration"   |
| Campaign Spending Commission                                       | <a href="http://hawaii.gov/campaign">http://hawaii.gov/campaign</a>  |
| Hawai'i Compliance Express   | <a href="http://vendors.ehawaii.gov/hce">http://vendors.ehawaii.gov/hce</a>  |

**1.4 AUTHORITY**

This RFP is issued under the provisions of the Hawai'i Revised Statutes (HRS) Chapter 103D and its administrative rules. All prospective Offerors are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any Offeror shall constitute admission of such knowledge on the part of such Offeror.

Failure to comply with any requirement may result in the rejection of the proposal. The ICSD reserves the right to reject any or all proposals received, or to cancel this RFP, if it is in the best interest of the State.

**1.5 RFP ORGANIZATION**

This RFP is organized into four sections.

Section 1, Introduction and Key Dates: Provides prospective Offerors with an overview of the procurement process.

Section 2, Background Information, General Specifications, and Technical Requirements: Provides Offerors with a general description of the tasks to be performed, delineates Offeror responsibilities, defines deliverables (as applicable), and technical requirements.

Section 3, Proposal Preparation Instructions: Describes the required format and content for the proposal.

Section 4, Proposal Evaluation: Describes how proposals will be evaluated by the State purchasing agency.

Appendix: Provides Offerors with information and forms necessary to complete the proposal.

1.6 **CONTRACTING OFFICE AND DESIGNATED STATE PERSONNEL**

The Contracting Office is responsible for overseeing the contract(s) resulting from this RFP, including system operations, fiscal agent operations, and monitoring and assessing performance. The Contracting Office shall serve as the primary liaison with Offerors during all phases of the RFP process and with the Contractor during all phases of the contract. The Contracting Office is:

Department of Accounting and General Services  
Information and Communication Services Division  
Planning and Project Management Office  
Kalanimoku Building  
1151 Punchbowl Street, Room B10  
Honolulu, HI 96813

The following State personnel are designated to perform the following roles in this procurement:

|                                  |  |
|----------------------------------|--|
| Head of State Purchasing Agency: |  |
| Name:                            | Dean H. Seki   |
| Title:                           | Comptroller  |
| Business Address:                | State of Hawai'i, Department of Accounting and General Services<br>1151 Punchbowl Street, Room 412, Honolulu, HI 96813 |

|                      |   |
|----------------------|---|
| Procurement Officer: |   |
| Name:                | Sharon N.H. Wong  |
| Title:               | Acting ICSD Administrator   |
| Business Address:    | State of Hawai'i, Department of Accounting and General Services,<br>Information and Communication Services Division<br>1151 Punchbowl Street, Room B-10, Honolulu, HI 96813 |

|                     |  |
|---------------------|--|
| RFP Contact Person: |  |
| Name:               | Wayne T. Sasaki  |
| Title:              | Systems Services Branch Chief                                    |
| Phone:              | (808) 586-1940 extension 343                                     |
| Business Address:   | State of Hawai'i, Department of Accounting and General Services, |

|          |   |
|----------|---|
| Address: | Information and Communication Services Division<br>1151 Punchbowl Street, Room B-20, Honolulu, HI 96813 |
| Fax:     | (808) 586-1922  |
| Email:   | wayne.t.sasaki@hawaii.gov   |

|                         |   |
|-------------------------|---|
| Contract Administrator: |   |
| Name:                   | Wayne T. Sasaki   |
| Title:                  | Systems Services Branch Chief   |
| Business Address:       | State of Hawai'i, Department of Accounting and General Services,<br>Information and Communication Services Division<br>1151 Punchbowl Street, Room B-20, Honolulu, HI 96813 |
| Phone:                  | (808) 586-1940 extension 343  |
| Fax:                    | (808) 586-1922  |
| Email:                  | wayne.t.sasaki@hawaii.gov   |

|                   |   |
|-------------------|---|
| Project Manager:  |   |
| Name:             | Wayne T. Sasaki   |
| Title:            | Systems Services Branch Chief   |
| Business Address: | State of Hawai'i, Department of Accounting and General Services,<br>Information and Communication Services Division<br>1151 Punchbowl Street, Room B-20, Honolulu, HI 96813 |
| Phone:            | (808) 586-1940 extension 343  |
| Fax:              | (808) 586-1922  |
| Email:            | wayne.t.sasaki@hawaii.gov   |

**1.7 ORIENTATION/SITE VISIT**

The State is agreeable to providing site visits upon request by prospective Offerors. Such site visits will be at the convenience of the State prior to the Proposal Submittal Deadline in RFP Section 1.2, Procurement Timetable and shall be requested by Offerors through the RFP Contact Person.

**1.8 SUBMISSION OF QUESTIONS**

Offerors may submit questions to the RFP Contact Person identified in RFP Section 1.6, Contracting Office and Designated State Personnel. All written questions will receive a written response from the State purchasing agency as indicated in the Procurement Timetable in RFP Section 1.2, Procurement Timetable.

Offerors should carefully review this RFP, and bring to the attention of the RFP Contact Person any defects, questions or objections. This will allow any appropriate amendments to the RFP and will help prevent the opening of a defective solicitation and exposure of Offeror's proposal upon which award could not be made.

Written responses will be sent by electronic mail, faxed or mailed to each prospective Offeror who has provided a mailing address, electronic mail address or facsimile number to the State. The State shall not be responsible to

notify those prospective Offerors who have failed to provide the necessary contact information.

## 1.9 **SUBMISSION OF PROPOSALS**

Submission of a proposal shall constitute an incontrovertible representation by the Offeror of compliance with every requirement of this RFP and that the RFP documents are sufficient in scope and detail to indicate and convey reasonable understanding of all terms and conditions of this RFP.

Before submission of a proposal each Offeror should:

- 1) Examine the RFP documents thoroughly (documents include this RFP, any addenda, attachments, and other relevant documentation), and
- 2) Become familiar with state, local and federal laws, ordinances, rules and regulations that may in any manner affect cost, progress, or performance of the work required by this RFP.

### 1.9.1 **Forms/Formats**

The following forms are required and are to be submitted as part of an Offeror's proposal. The formats specified must be followed when the proposal is being prepared.

1. Offer Form. The Offer Form is included as part of Appendix A. Offerors must submit their proposals with a completed Offer Form using Offeror's exact name as registered with the Department of Commerce and Consumer Affairs. The authorized signature on the first page of the Offer Form (Appendix A) shall be an original signature in ink. If the proposal is unsigned or the affixed signature is a facsimile, photocopy or stamp, the proposal shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the Offeror's intent to be bound.
2. Proposal Cost Worksheet. The Proposal Cost Worksheet is included as part of Appendix B. The Proposal Cost Worksheet provides the State with an overview of the costs associated with the Offeror's proposal and a consistent format from which to evaluate proposals submitted.
3. Proposal Table of Contents. The Sample Proposal Table of Contents is included as part of Appendix C. Proposals submitted should use the format and verbiage provided therein.
4. RFP Section 3, Proposal Preparation Instructions. This section provides the format of the proposal and instructions Offerors are required to follow when preparing proposals.

### 1.9.2 **Specific Requirements.**

Specific requirements and specifications are included in RFP Section 2, Background Information, General Specifications, and Technical Requirements. These requirements detail the scope of work, technical specifications and special considerations, if any, for this solicitation.

**1.9.3 Multiple or Alternative Proposals.**

An Offeror may submit only one proposal in response to this RFP. If an Offeror submits more than one proposal in response to this RFP, then all such proposals shall be rejected. Similarly, an Offeror may submit only one proposal for each line item (if any). If an Offeror submits more than one proposal per line item, then all proposals by that Offeror for that line item will be rejected (if any). Multiple or alternate proposals shall not be accepted.

**1.9.4 Certificates.**

The following certificates must be submitted upon award of the contract. The State may rescind award if the required certificates are not timely submitted.

1. **Tax Clearance.** Certificates of Vendor Compliance (See 1.9.5).
2. **Insurance.** The Contractor shall deposit with the State of Hawai'i certificate(s) of insurance necessary to satisfy the State that the following insurance provisions have been satisfied and shall keep such insurance in effect and the certificate(s) therefor on deposit with the State during the entire term of the contract. Insurance shall include insurance for subcontractors, where appropriate. Upon request by the State, the Contractor shall furnish a complete copy of the policy or policies.

The Contractor shall maintain in full force and effect during the entire term of the contract (including extensions, if any) liability and property damage insurance to protect the State, the Contractor and its subcontractors, if any, from claims for damages for personal injury, accidental death, and property damage which may arise from operations under the contract, whether such operations be by the Contractor or by any subcontractor or anyone directly or indirectly employed by either of them. If any subcontractor is involved in the performance of the contract, the insurance policy or policies shall name the State and subcontractor as additional insured.

As an alternative to the Contractor providing insurance to cover work performed by a subcontractor and naming the subcontractor as additional insured, the Contractor may require subcontractor to provide its own insurance which meets the requirement of \$1,000,000 per occurrence and \$2,000,000 in the aggregate for Commercial General Liability (CGL). It is understood that a subcontractor's insurance policy or policies are in addition to the Contractor's own insurance policy or policies.

The following minimum insurance coverage(s) and limit(s) shall be provided by the Contractor, including its subcontractor(s), as applicable.

| <u>Coverage</u>                                      | <u>Limits</u>  |
|--|--|
| Commercial General Liability (CGL) (occurrence form) | \$2,000,000 combined single limit per occurrence for personal injury, bodily injury, and property damage |
| Automobile Liability                                 | \$1,000,000 combined single limit including bodily injury and property                                   |

damage minimum per accident

Each insurance policy, including a subcontractor's policy, shall contain the following clauses:

1. "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days' written notice has been given to the ICSD, Kalanimoku Building, 1151 Punchbowl Street, Room B-10, Honolulu, Hawai'i 96813."
2. "The State of Hawai'i is added as an additional insured as respects work performed for the State of Hawai'i."
3. "It is agreed that any insurance maintained by the State of Hawai'i will apply in excess of, and not contribute with, insurance provided by this policy."

The minimum insurance required shall be in full compliance with the Hawai'i Insurance Code throughout the entire term of the contract, including any extensions thereof.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as a material default under the contract, and entitle the State to exercise any or all of the remedies provided in the contract for a default of the Contractor.

The procuring of the required insurance shall not be construed to limit the Contractor's liability under the contract or to fulfill the indemnification provisions and requirements of the contract. Notwithstanding said policy or policies of insurance, Contractor shall be obligated for the full and total amount of any damage, injury, or loss caused by negligence or neglect or willful misconduct connected with the contract.

#### **1.9.5 Hawai'i Compliance Express (HCE).**

Vendors shall use the Hawaii Compliance Express (HCE) to show proof of compliance with the requirements of § 103D-310(c), HRS. The HCE allows businesses to register online through a simple wizard interface at <http://vendors.ehawaii.gov> for an annual fee payable to Hawaii Information Consortium, LLC to acquire a "Certificate of Vendor Compliance," which provides current compliance status as of the issuance date. The "Certificate of Vendor Compliance" indicating that vendor's status is compliant with the requirements of §103D-310(c), HRS, is required for both contracting purposes and final payment.

#### **1.9.6 Campaign Contributions by State and County Contractors.**

Offerors are hereby notified of the applicability of HRS section 11-355, which states that campaign contributions are prohibited from specified State or county government Contractors during the term of the contract if the Contractors are paid with funds appropriated by a legislative body. For more information, FAQs are available at the Campaign Spending Commission webpage. (Refer to this Section's Paragraph 1.3, WEBSITE REFERENCES.)

#### **1.9.7 Confidential Information.**

If an Offeror believes any portion of a proposal contains information that should be withheld as confidential, the Offeror shall request in writing designated proprietary data to be confidential and provide justification to support confidentiality. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal to facilitate eventual public inspection of the non-confidential sections of the proposal.

**Offerors shall note that price is not considered confidential and will not be withheld.**

**1.9.8 Proposal Submission.**

All mail-in proposals shall be received by the State purchasing agency no later than the Proposal Submittal Deadline indicated on RFP Section 1.2, Procurement Timeline. Proposals shall be rejected if received after the proposal submittal deadline.

The number of copies required is specified in RFP Section 3.2, General Instructions for Completing Proposal

Faxed proposals, proposals submitted solely on diskette/CD, or proposals transmitted via email are not permitted and will not be considered.

**1.9.9 Disposition of Proposals.**

All proposals and other materials submitted by Offerors become property of the State.

**1.9.10 Final payment requirements.**

A Contractor is required to submit a tax clearance certificate for final payment on the contract. The "Certificate of Vendor Compliance" issued by the HCE fulfills this requirement. In addition, an original "Certification of Compliance for Final Payment" (SPO Form-22, see RFP Section 1.3.1, SPO Web Sites) is required for final payment.

**1.9.11 Withdrawal or modification of proposals.**

A proposal may be withdrawn or modified at any time prior to, but not after, the proposal submittal deadline. Withdrawal or modification shall comply with the requirements of HAR section 3-122-16.07. This withdrawal or modification must be submitted before the proposal submittal deadline, but shall not prejudice the right of an Offeror to submit a new proposal or a modification before or on the proposal submittal deadline.

**1.10 DISCUSSIONS WITH OFFERORS**

**1.10.1 Prior to Submission Deadline.**

Offerors are encouraged to submit written questions if they desire. All questions must be submitted in writing, facsimile, or email no later than the date specified in the RFP Section 1.2, Procurement Timetable, Deadline for Written Inquiries, in order that an official answer may be generated. Questions over the telephone will not be accepted or answered. Official responses will be provided to all Offerors providing an email, facsimile or mailing address.

**1.10.2 After Proposal Submission Deadline.**

Discussions may be conducted with Offerors whose proposals are determined to be reasonably susceptible of being selected for award, but proposals may be accepted without discussions, in accordance with HAR section 3-122-53. If more than three proposals are received, a priority list of not less than three Offerors submitting the highest ranked proposals shall be generated. The evaluation committee may have additional discussions with priority-listed Offerors prior to the submission of the best and final offers.

**1.11 OPENING OF PROPOSALS**

Upon receipt by the State, proposals, modifications of proposals, and withdrawals of proposals shall be date-stamped and time-stamped. All documents so received shall be held in a secure place by the State purchasing agency and not examined for evaluation purposes until the submission deadline.

Proposals will be opened at the date and time specified in RFP Section 1.2, Procurement Timetable, as it may be amended. Proposals shall not be opened publicly, but shall be opened in the presence of two or more procurement officials.

The register of proposals and Offerors' proposals (except those portions determined to be confidential in accordance with section 3-122-58, HAR), shall be opened to the public inspection after a contract has been awarded and notice of award has been posted.

**1.12 ADDITIONAL MATERIALS AND DOCUMENTATION**

Upon request from the State purchasing agency, each Offeror shall submit any additional materials and documentation reasonably required by the State purchasing agency in its evaluation of the proposals.

Specific time frames for submitting the requested documents can be found in RFP Section 3.5, Submission of Requested Information and Documents.

**1.13 RFP AMENDMENTS**

The State reserves the right to amend this RFP at any time prior to the closing date for submission of best and final offers. If during discussions, there is a need for substantial clarification or change in the RFP, the RFP shall be amended by an addendum to incorporate such clarification or change. Addenda to the RFP after determination of the priority-listed Offerors shall be distributed only to priority-listed Offerors.

**1.14 BEST AND FINAL OFFERS**

Following discussion, priority-listed Offerors will be invited to submit their best and final offers in the manner, and by the date and time specified by the State purchasing agency. If a best and final offer is not submitted, the previous submittal shall be construed as the Offeror's best and final offer. The Offerors shall submit either (1) **only** the section(s) of the proposal that are amended or (2) resubmit the entire proposal. Please note that if the Offeror elects to submit only the section(s) that were amended, the State shall not be responsible for

incorrect or misplaced pages. After best and final offers are received, final evaluations will be conducted for an award.

After receipt and evaluation of best and final offers, the evaluation committee will recommend award to the Comptroller and the Procurement Officer. The contract will be awarded to the Offeror whose proposal is determined to be the most advantageous to the State, taking into consideration price and the other evaluation criteria.

#### **1.15 CANCELLATION OF REQUEST FOR PROPOSALS**

The RFP may be canceled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interests of the State.

#### **1.16 COSTS FOR PROPOSAL PREPARATION**

Any costs incurred by Offerors in preparing or submitting a proposal are the Offeror's responsibility. The State will not be liable for any costs, expenses, loss of profits or damages whatsoever, incurred by any Offeror in the event this RFP is cancelled or a proposal is rejected in whole or in part.

#### **1.17 REJECTION OF PROPOSALS**

The State reserves the right to consider as acceptable only those proposals submitted in accordance with all requirements set forth in this RFP which demonstrate an understanding of the problems involved and comply with the specifications. Any proposal offering any other set of terms and conditions or terms or conditions contradictory to those included in this RFP may be rejected without further notice.

A proposal may be automatically rejected for any one or more of the following reasons:

- 1) failure to cooperate or deal in good faith;
- 2) late proposal;
- 3) inadequate response to request for proposals;
- 4) proposal not responsive; or
- 5) Offeror not responsible

#### **1.18 NOTICE OF AWARD AND EXECUTION OF CONTRACT**

A Notice of Award or Notice of Non Selection shall be provided to Offerors by mail upon completion of the evaluation of all proposals.

Award, if any, will be made as indicated in the Procurement Timetable, after opening of proposals or best and final offers, as the case may be. Prices quoted by Offerors shall remain firm for the period.

The RFP, any addenda issued, and the successful proposal shall become part of the contract. No work is to be undertaken by the awardee prior to the contract commencement date. The State of Hawai'i is not liable for any costs incurred prior to the official commencement date.

The successful Offeror receiving award shall be required to enter into a formal written contract. No performance or payment bond is required. Upon execution of the contract, a Notice to Proceed will be issued. The official

commencement date of the resulting contract shall be the date indicated in the Notice to Proceed.

Any agreement arising out of this RFP may be subject to approval of the Department of the Attorney General as to form and is subject to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

**1.19 PROTESTS**

Any Offeror may file a protest against the award of the contract. The Notice of Protest form is available on the SPO website. Only the following matters may be protested:

1. A State purchasing agency's failure to follow procedures established by Chapter 103D, Hawai'i Revised Statutes.
2. A State purchasing agency's failure to follow any rule established by Chapter 103D, Hawai'i Revised Statutes; and
3. A State purchasing agency's failure to follow any procedure, requirements, or evaluation criterion in a request for proposals issued by the State purchasing agency.

The Notice of Protest shall be postmarked by USPS or hand delivered to: 1) the head of the State purchasing agency conducting the protested procurement; or 2) the procurement officer who is conducting the procurement within five working days of the postmark of the Notice of Award or Notice of Non-Selection sent to the protestor. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of actual receipt by the State purchasing agency.

**1.20 AVAILABILITY OF FUNDS**

The award of a contract and any allowed renewal or extension thereof, is subject to allotments made by the Director of Finance, State of Hawai'i, pursuant to HRS Chapter 37, and subject to the availability of State and/or Federal funds.

**1.21 GENERAL AND SPECIAL CONDITIONS OF CONTRACT; LIQUIDATED DAMAGES**

The general conditions that will be imposed contractually can be found in Appendix E, Standard Contract General Conditions. Special conditions may also be imposed contractually by the State purchasing agency, as deemed necessary.

Refer to Paragraph 9 of the General Conditions. Liquidated damages are fixed at the specified sum indicated below, per calendar day for any failure of the Contractor to perform in whole or in part any of its obligations relating to installation of the equipment and the requirements of RFP Section 2.5, General Installation:

|                                      |        |
|--------------------------------------|--------|
| Liquidated damages per calendar day: | \$1000 |
|--------------------------------------|--------|

**1.22 COST PRINCIPLES**

In order to promote uniform purchasing practices among State purchasing agencies, State purchasing agencies will utilize standard cost principles. Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

1.23 **FEDERAL REQUIREMENTS**

The following federal requirements apply to this RFP. The documents are included in RFP Appendix I. All Offerors are required to accept and comply with the requirements stated.

1. IRS Contract Language for Technology Services
2. FBI Security Requirements

## Section 2

### **BACKGROUND INFORMATION GENERAL SPECIFICATIONS AND TECHNICAL REQUIREMENTS**

#### **2.1 BACKGROUND AND PURPOSE**

The State of Hawaii currently operates a P590 server that supports the Department of Commerce and Consumer Affairs (DCCA) and the Department of Taxation (DOTAX). The configuration of the P590 and the logical partitions assigned to each department is listed in RFP Appendix J, P590 Configuration.

The State of Hawaii also operates three storage systems that support various projects and departments including DCCA and DOTAX. The configuration of the three storage systems to be consolidated (Consolidated Storage System) is provided in RFP Appendix K, Consolidated Storage.

The purpose of this RFP is to replace the P590 with current technology capable of high availability to minimize down time and consolidated the three storage systems into one system. The procurement of the P590 replacement and the Consolidated Storage System will be through an operating lease for a period specified in RFP Section 2.23, Lease of Equipment. Offerors should be aware that the State has limited staff resources and this has necessitated the requirement that Offerors must warrant that the systems being procured will operate and work as specified by the State.

The work described in this RFP is comprised of those specifications that will aid the Offeror in preparing a proposal that will best meet the needs of the State. The State is also seeking one Contractor to provide all services.

#### **2.2 OBJECTIVES**

The State has the following objectives.

1. The State must replace the current P590 with a new more highly available configuration. The current P590 hardware configurations and logical partition configurations are listed in RFP Section 2.19.1, P590 Configuration, and RFP Appendix J, P590 Configurations.
2. The State intends to move toward private cloud based or oriented solutions. Offerors shall offer proposals that are in line with this strategy.
3. The new P590 replacement configuration must include a Consolidated Storage System that is easy to manage. Offerors shall refer to the specifications and requirements found in RFP Section 2.20, Consolidated Storage System.
4. The new P590 replacement and Consolidated Storage System configuration must support current AIX applications supporting the DCCA and the DOTAX. The current operating system versions of the departments are listed in RFP Appendix J, P590 Configuration.

5. The new P590 replacement and Consolidated Storage System configuration must include service management capabilities as identified in RFP Section 2.21.2, Service Management and Cloud Provisioning.
6. The new P590 replacement and Consolidated Storage System configuration will be leased for a period specified in RFP Section 2.23, Lease of Equipment. The annual lease cost shall not exceed the budgeted amount specified in RFP Section 2.23.1, Funding Cap.

## 2.3 **RESPONSE GUIDELINES**

This RFP describes the minimum requirements and specifications for the State's replacement of the current P590 system. Equipment characteristics and description found in this document are intended to be functional descriptions only. The actual equipment offered may provide these functions in different configurations but all proposals shall be evaluated for their benefit to the State.

### 2.3.1 **Ease of Management**

The equipment offered must provide ICSD with an architecture utilizing techniques that reduce the management effort needed to manage the configuration of the equipment components proposed.

### 2.3.2 **Minimum Component**

A minimum number of different components mean fewer spares, fewer manuals, and fewer training requirements. Equipment modules should be interchangeable between different chassis sizes. Simple solutions are preferred.

### 2.3.3 **Space Efficiency**

Space is at a premium at the identified locations. The equipment offered must make optimum use of floor space.

### 2.3.4 **Simplicity**

Simplicity in designing, packaging, installing, configuring, troubleshooting, maintaining, and repairing is highly valued.

### 2.3.5 **Reliability**

With minimal local support resources and remote second level support, any features that provide fault tolerance, fault containment, and automatic fault isolation have significant value. In addition, the State has legal obligations to maintain operational systems even during major disasters. Every component, system, and facility shall be capable of rapid recovery through alternate facilities.

### 2.3.6 **Interoperability and Integration**

This RFP is forward looking. Therefore, interoperability and integration are important considerations. All proposed equipment shall at a minimum provide equivalent connectivity and inter-operate with the current State systems.

## 2.4 **WORK PLAN**

The purpose of the plan is to ensure the proper coordination of all organizations and activities. The plan shall include, but not be limited to: identification of specific phases, tasks and activities, schedules, deliverables, identification of personnel responsibilities, and other information required to ensure a successful installation.

The Contractor shall be responsible for designing and submitting to the State all required plans, drawings, and spreadsheets for the ICSD computer room.

## 2.5 **GENERAL INSTALLATION**

Installation as described below, and including conversion of all existing data formats, if necessary, shall be completed within ninety (90) business days from the date of the STATE PM approval of Contractor's design, and installation and migration plan. The STATE PM will approve the design and plan 5 days after the first meeting on hardware, software, and services implementation assurance. Contractor in performing all work identified in this RFP shall include, at a minimum, the following:

### 2.5.1 **Project Initiation**

Conduct the first meeting on hardware, software, and services implementation assurance.

### 2.5.2 **Hardware Installation**

- a. Specify electrical connections and perform all electrical work necessary for the installation of the equipment. The cost of electrical work shall be included in the cost of the proposal and all electrical work must be coordinated with the State. Electrical work specifications, as required, shall be included in Proposal Section 8, Technical Information, on a separate page titled "Electrical Work".
- b. Specify floor tile modifications required for equipment and place equipment as directed by the State. Floor tile modification, as required, shall be included in Proposal Section 8, Technical Information, on a separate page titled "Floor Tile".
- c. Connect all electrical and passive connections for all equipment and any sub-assemblies to the equipment so that the system is operable and ready for the acceptance test, RFP Section 2.12, Acceptance Test.
- d. Provide any cabling required by the State to connect the proposed P590 Replacement System with the Consolidated Storage System and/or telecommunication network devices as necessary. All cabling must be in compliance with existing fire code, IEEE, and CCITT standards.
- e. Provide all equipment or hardware devices needed to make the P590 Replacement System and Consolidated Storage System operational and ready to perform the acceptance test, RFP Section 2.12 Acceptance Test, and operate in production mode.
- f. Assemble the P590 Replacement System and Consolidated Storage System, and make all the connections required to complete the installation process.

- g. Install and configure firmware on the proposed equipment and insure the correct operation and function of the firmware according to manufacturer specification.
- h. Provide a facility to connect the P590 Replacement System and Consolidated Storage System to the maintenance provider's remote support facility to keep microcode current and electronically report malfunctions. Offeror shall refer to RFP Section 2.10.6, Diagnostic Tools and Test Equipment for requirements.

The Offeror shall propose an Internet connection to its remote support facility, the cost of which will be listed as a separate line (r) on the Proposal Cost Work Sheet attached as RFP Appendix B. The Offeror must describe the configuration as part of Proposal Section 8, Technical Information, with an explanation of how transmissions are safeguarded and titled "Remote Support" on a separate page.

- i. Comply with National Electric Code (NEC), local building and safety codes, as applicable to installation of electronic equipment. All work must be performed by licensed personnel.
- j. Perform basic machine diagnostic tests as required by the hardware manufacturer to certify the equipment operational and ready for use.
- k. Removal of replaced hardware and relocate it within the State premises as directed by State. This shall include the phase in and the gradual removal for salvage of the existing P590 and replaced storage systems identified in RFP Section 2.20.2, Capacity Requirements and all attached signaling cables, power cables, and connectors. Contractor shall wait for approval to proceed with the salvage of the equipment as the State has a prescribed procedure for the disposal of equipment on inventory. Removal and salvage shall be made in compliance with State laws. The State may decide to retain or delay disposal of one or more of the storage systems identified in RFP Section 2.20.2, Capacity Requirements.

If the State chooses to retain any device the cost for migration allotted for that item shall be credited as additional hours for services to be used by the State for hardware or software installation, customization, or other migration services

- l. Determine and provide all necessary fiber and copper cables, connectors, adapters including gender changers, and other devices regardless of size or capabilities needed or required to make the system function.
- m. Be responsible for and repair all damages to any building, support structure or equipment caused by its workers or subcontractors. Contractor shall report to the State any damage to the property or equipment that exists prior to installation.
- n. Be responsible for determining and providing all necessary generic installation components required to facilitate the installation. All items such as mounting hardware, nuts, bolts, screws, cable wraps, etc., while not specifically listed, are to be provided by the Contractor.

- o. Remove tools, equipment, and all rubbish including but not limited to skidding, packing, and crating from the premises and leave the premises clean and neat. Rubbish should be disposed of in compliance with all federal and State laws.
- p. Keep hardware and firmware current with patches or modification from the manufacturer.
- q. For hard disk drives, the Offeror shall include the electronic erasure and certify that data on the disks have been destroyed. The Offeror must describe this service as part of Proposal Section 8, Technical Information, with an explanation of what is included and the devices identified in RFP Section 2.20.2, Capacity Requirements. Title this as "Disk Data Destruction" on a separate page.

### 2.5.3 **Software Installation**

- a. Install all software that is part of or required to complete the installation of the P590 Replacement System and the Consolidated Storage System. Offeror shall make the determination on the AIX version to include on the VIO Servers supporting the P590 partitions defined in RFP Appendix J, P590 Partition Resource Assignments from HMC. Offeror shall also determine if VIO servers are applicable. STATE PM shall make the final determination. However, Offeror shall also include both rationales in Proposal section 8, Technical Information, on a separate page titled "VIO Servers".
- b. Keep software current with patches or software modifications from software publisher until accepted by the State.
- c. The Contractor must identify all new software required to be installed, all AIX modifications, all TSM modifications, and any other software impacted by the installation and operation of the P590 Replacement system and Consolidated Storage System.

### 2.5.4 **Services**

- a. Excluding the current P590, connect servers attached to the storage systems identified in RFP Section 2.20.2, Capacity Requirements, to the new Consolidated Storage System and migrate their data. The Contractor shall coordinate the scheduling of this with the State PM. Offeror shall also describe the services in Proposal Section 8, Technical Information, on a separate page titled "Consolidated Storage System Migration Services".
- b. Set up and migrate designated ports from the existing Brocade switch to the new switch.
- c. Set up and migrate VIO servers and AIX partitions defined on the P590 to the P590 Replacement System. This should include network connections and all tasks needed to start or "bring up" the AIX partitions.
- d. Migrate data on the DS8100 attached to the current P590 to the new P590 Replacement System and Consolidated Storage System. This is to include

disk partitions, file system, and other related tasks needed to start or “bring up” the AIX partitions.

**2.5.5 Documentation**

Provide Documentation as prescribed in RFP Section 2.16, Documentation.

**2.5.6 Maintenance**

Provide Maintenance as prescribed in RFP Section 2.10, Maintenance Requirements.

**2.5.7 Training**

Provide Training as prescribed in RFP Section 2.13, Training Requirements.

**2.5.8 Turn Over**

Turn over P590 Replacement System and Consolidated Storage System for Acceptance Test as prescribed in RFP Section 2.12, Acceptance Test.

**2.6 WORK PARAMETERS**

1. Prior to final design and installation, the Contractor shall submit all drawings, details or design alternatives pertinent to the proposed system to the STATE PM for approval. This submittal shall include detailed drawings of various equipment showing exact location of equipment, including but not limited to State owned equipment, existing infrastructure, proposed equipment, cross-connects, and ancillary equipment.
2. Labeling methodology shall be submitted to the STATE PM for approval prior to final labeling. All equipment and cables shall be labeled appropriately at both ends and shall be machine generated.
3. Contractor shall provide a record identifying all equipment installed as part of this RFP. Contractor shall submit records in hard copy and electronic files in machine readable format approved by the STATE PM for review and approval before acceptance tests. All records and files shall be submitted utilizing the software program versions approved by the STATE PM at the time of submittal.

**2.7 PROJECT MANAGER**

Offeror shall designate an on-island (O’ahu) Project Manager (PM) to be responsible for installation, testing, and acceptance of all work performed under this RFP. The PM shall have technical and operational decision making authority.

The PM shall prepare and deliver preliminary plans and documentation to include all of the planned equipment. The preliminary plans shall include floor space, power, cabling, equipment locations, and other documentation as required. In addition, the Contractor shall perform the following:

1. Provide verbal and written progress reports in project coordination meetings.

2. Submit written notification and explanation of any schedule changes, installation delays, and problem resolution foreseen by the Contractor to the STATE PM.
3. Coordinate the overall project schedule and be responsible for ensuring all products, labor, and other related elements necessary to facilitate the installation are identified and made available in order to meet the project schedule.
4. Be responsible for monitoring the project, bringing all changes, modifications, or discrepancies to the attention of the STATE PM.
5. Schedule all work with the STATE PM.
6. Coordinate with the STATE PM any corrective actions or additional components that the STATE PM determines must be supplied to insure the correct operation of the system.

## 2.8 **QUALITY OF EQUIPMENT**

Equipment furnished under this RFP shall be new or certified as new for manufacturer maintenance certification. All equipment supplied shall be labeled and/or embossed with the manufacturer's name, logo, serial number, and/or part number. It shall be free from defects that may render it unfit for use. Damaged or rejected items shall be immediately removed from the site and replaced with items of the quality required.

No payment, whether partial or final, shall be construed to be an acceptance of defective materials. The Contractor shall be liable for latent defects, fraud, or gross misrepresentations that amount to fraud.

The State may, at any time, by written order, stop the delivery of equipment not conforming to the requirements of this RFP. Such stop order shall not relieve the Contractor of the obligation to complete the contract within the contract time limits, nor shall it in any way terminate, cancel, or abrogate the contract or any part thereof.

## 2.9 **DELIVERY REQUIREMENTS**

Delivery shall be to the specified installation site and coordinated through the Production Operations Support Section, Production Services Branch, ICSD (POSS). Contractor must call to receive delivery instructions and confirm delivery date which shall not be less than four (4) days from the Contractor's call. The POSS contact is Selma Murota at 808-586-1901 extension 446, 448 or 420.

Delivery shall include the transportation of all equipment to the site; uncrating; unpacking; removal of crating, packing, and skidding; and the positioning of the equipment for installation.

Contractor shall take necessary care and precautions not to damage State property or structures.

The Contractor shall be responsible for the risk of loss or damages that occur during delivery and installation of the equipment.

All loading, packing, crating, and skidding used in the shipment of the equipment shall be the property of the Contractor and shall be removed by the Contractor from the State's premises immediately following the installation of equipment or as directed by the State.

## **2.10 MAINTENANCE REQUIREMENTS**

### **2.10.1 Parts Availability**

The Offeror is required to maintain a parts inventory on the island of O'ahu in a nearby local office storage area or in a portable parts kit maintained by the Contractor's service representatives. The State requires that at time of proposal the Contractor maintain a local parts inventory of at least 95 percent of parts required to effect immediate repairs. The Offeror must be prepared to demonstrate a local parts inventory management system to the State upon two (2) days' notice. The demonstration must include, but not be limited to, showing the local inventory level/reorder procedures in order that the State may verify that 95 percent parts availability levels are maintained.

### **2.10.2 Parts Non-availability**

In the event that a failing component, assembly, or part is not available from the local parts inventory, the Contractor at its expense will be required to air ship the replacement component or part to Hawai'i and deliver it to the State's site by special courier within twenty-four (24) hours of the identification for replacement or repair. In the event that an item of equipment is inoperative for more than twenty-four (24) hours due to equipment failure, the Contractor shall take one or more of the following actions at no additional cost to the State and subject to the State's prior approval:

1. Provide backup equipment
2. Provide on-site personnel for thorough analysis of the problem
3. Provide replacement for the failing equipment

When the system is operational but not fully functional, replacement of the failing component, assembly, or part must be at the State's site within twenty-four (24) hours after identifying the need for replacement or repair.

The State will be the sole judge in determining if the system is not operational or is operational, but not fully functional. In all cases, priority air shipment is required for expeditious delivery of required component, assembly, and/or part.

### **2.10.3 Engineering Changes**

From time to time, manufacturer may make technical equipment improvements to existing installed and operational equipment at the State. These are accomplished through field engineering changes. These engineering changes are not only desirable but shall be critical when they are prerequisites to the addition of features to equipment and when they are required to be consistent with the equipment configuration and microcode levels. Therefore, the Contractor must track the requirement for and the installation activity of these engineering changes on each model type of equipment. Services to perform engineering change, including parts, labor, equipment, transportation, etc., shall be furnished by the Contractor at no expense to the State. The Contractor

must have the capability to effectively track engineering changes requirement to the equipment from the manufacturer.

#### **2.10.4 Equipment Modifications**

The Contractor shall accomplish all manufacturer sponsored modifications to equipment. The all-inclusive cost to perform equipment modifications shall be included in the proposal price. Any equipment modification shall be done only with the prior approval of the State.

#### **2.10.5 Maintenance Reports**

The Contractor shall furnish a maintenance report to the ICSD Computer Operations Supervisor at the ICSD Computer Center upon completion of each maintenance call. The report shall include, but is not limited to, the following:

1. Date and time Contractor was notified
2. Date and time of Contractor's personnel arrival
3. Type and model number(s) of equipment
4. Time spent for repair
5. Description of malfunction
6. List of parts replaced
7. Additional charges, if applicable
8. Date and time of turnover to State and signature of person accepting service performance for State
9. Signature of person performing repair/maintenance

#### **2.10.6 Diagnostic Tools and Test Equipment**

All special diagnostic tools and test equipment designated by the manufacturer as necessary to detect, isolate, and correct machine malfunctions shall be available at the local service office or ICSD Computer Center.

The State also requires the Offeror to propose a remote support system that will provide the appropriate service personnel with the capability to remotely access error logs, system status, and run diagnostic tests. This remote support system will allow the customer engineer to view error logs daily and to see if the system is posting errors that could point to a component failure. When there is a hardware problem call placed, the failing device can be checked instantly by the customer engineer and the operator can be given instructions to correct the problem if possible. The hardware support equipment shall further provide the remote customer engineer with the capability to transmit corrective microcode maintenance from his/her remote site directly into the equipment and apply such maintenance to correct hardware problems.

#### **2.10.7 Periods of Maintenance**

The Contractor's hardware maintenance staff shall be available to respond on an on duty basis, seven (7) days per week and twenty-four (24) hours per day including holidays. The State requires that the hardware maintenance staff call back within twenty (20) minutes after the initial trouble call. If the State requires on site assistance, the Contractor's hardware maintenance staff shall respond on site within two (2) hours of the initial trouble call unless other arrangements have been made with the State's permission.

### 2.10.8 Hardware Maintenance Services to be Provided

Offeror must detail maintenance services to be provided. They shall include preventative maintenance, remedial maintenance, and predictive maintenance. They shall also include providing replacement parts and equipment updates.

This section identifies State's requirement for hardware maintenance. The State will further identify its response requirements for remedial maintenance in RFP Section 2.10.9, Hierarchy of Support for On Site Repair.

**Preventative Maintenance.** Preventative maintenance shall provide a schedule mutually agreed to between Contractor and State, and shall keep proposed equipment in a condition ready for ordinary use. Preventative maintenance shall include periodic inspection, cleaning, lubrication, adjustment and, as needed, replacement of parts or components of the equipment. Contractor shall specify in advance the length of time it will require for each such preventative maintenance visit for a specific item of equipment, and State shall make each such item available to Contractor to perform preventative maintenance. Contractor agrees that preventative maintenance will be accomplished during times that are convenient to the State's work schedule and will comply with the State's security regulations.

**Remedial Maintenance.** Contractor shall perform remedial maintenance at State's location when State notifies Contractor of an equipment failure. Remedial maintenance shall include putting the equipment in good working order, repair and testing of failing systems or exchange of a machine which cannot be repaired in the time frames set out herein. Under an exchange, Contractor will provide an exchange machine. An exchange machine may not be new but will be certified for manufacturer maintenance.

**Predictive Maintenance.** Contractor shall track, predict, and correct potential malfunctions on equipment to avoid adversely impacting the State's system. When transient error recording exceed established thresholds, maintenance will be scheduled and performed on indicated units to enhance State's system or equipment availability. Predictive maintenance will include:

1. Analysis of trend reports generated by programs that provide equivalent IBM programs like Error Recording Editing Program (EREP) data.
2. System and component status monitoring, logging and analysis procedures.
3. Use of system diagnostics or tools to exercise equipment.
4. Analysis of I/O error statistical reports.

**Replacement Parts.** During preventative maintenance, Contractor may install or replace parts as necessary. Such parts may be new or refurbished as new. During remedial maintenance, Contractor will use only new parts or components, or parts and components of equal quality. All parts and/or components thereof replaced, become the property of the Contractor. Replacement parts will be provided as part of the basic maintenance service unless excluded herein.

**Safety Devices.** Contractor will install, without charge, all safety devices it deems necessary.

**Firmware.** Hardware Maintenance Provider will install as part of its hardware maintenance service all the equipment manufacturer releases as mandatory. The installation of optional releases shall be coordinated with the State's Computer Center Supervisor.

#### 2.10.9 Hierarchy of Support for On Site Repair

The State recognizes that complex equipment malfunctions may occur which require service resources beyond that available at the local level. It therefore is mandatory that the Contractor make available to the State, at no extra charge, hierarchies of support to quickly isolate and resolve these complex equipment malfunctions. When equipment fails or becomes inoperative, corrective maintenance will be provided as follows:

1. **First Level Technical Support.** After Contractor's service personnel arrive at the State's installation to respond to a remedial maintenance call and the equipment malfunction has not been diagnosed and repair begun within two (2) hours of the time of arrival of the service personnel, the Contractor shall utilize second level technical support. In the event that four (4) additional hours elapse from the time of response at the second level of technical support and the equipment malfunction has not been diagnosed and repair begun, the Contractor shall utilize third level technical support. If such a failure remains unresolved for twelve (12) hours, a higher level of support service personnel will be invoked at no cost to the State.
2. **Second Level Technical Support.** A local support engineer with additional training and/or experience who specializes in providing diagnostic assistance and/or repair expertise when a problem cannot be resolved at the initial level of support.
3. **Third Level Technical Support.** A specialist who has received in-depth specialized training and/or experience and who specializes in providing diagnostic assistance and consultation to assist on unusually complex problems that cannot be resolved at the first or second support levels.
4. **Higher Level Support.** A specialist who has received in-depth specialized training and/or experience beyond the third level Technical Support Specialist and specializes in providing diagnostic assistance and consultation to assist in unusually complex problems that cannot be resolved at the first, second, or third support levels.

The Offeror must include in its proposal the names, years of experience, and location of these specialists at each support level. For Third and Higher Level Support, the Offeror must provide name and location of the facility.

#### 2.10.10 Hardware Maintenance Staffing

Offeror's hardware maintenance personnel must be fully qualified to maintain and service all equipment proposed. The Offeror shall have a full-time staff of on duty support personnel based on the island of O'ahu. Proof of qualification acceptable to the State must be submitted as part of the Offeror's proposal.

#### **Hardware Maintenance Engineer**

The State requires a minimum of four (4) engineers, each with a minimum of three (3) years of experience maintaining the equipment offered. Hardware maintenance personnel must be on duty and available twenty-four (24) hours per day, seven (7) days per week, including holidays.

Because of the importance that the State places on maintenance and support, an adequately staffed local office is mandatory. Required staffing levels will insure the availability of support personnel in the event personnel become unavailable due to causes beyond the control of the Contractor. The Offeror must provide the names, titles, and years of experience for those individuals.

#### **2.10.11 Safeguard Data**

Due to the confidential and critical nature of the State's data, Contractor shall ensure appropriate safeguards to protect the confidentiality of the State's data are in place and maintained at all times.

#### **2.10.12 Disaster Recovery Support**

The Offeror shall detail its disaster recovery support policy in place at the time of submission of its offer/proposal. The Offeror shall also provide a list of private companies and government agencies to which disasters have occurred and the length of time following the disaster the Offeror delivered replacement equipment or brought its system into full operation.

#### **2.10.13 Hard Disk Retention Option**

The State of Hawai'i is required to comply with stringent information security standards which require the destruction of personal identity information or federal tax information from hard disk drives. To comply with this requirement the State shall require Offerors include the cost for retaining failed hard disk drives for physical destruction. This cost shall be included in the Offeror's Proposal and be subject to the stated budget limit identified in RFP Section 2.23, Lease Of Equipment.

### **2.11 STAFFING FOR PROJECT**

Staffing for this project shall be included in the Offeror's Proposal. Once the proposal is accepted any change, whether deletions, additions, reductions, or replacements, to the staffing shall be approved by the State.

The Contractor shall provide technical guidance and assistance in the following categories:

#### **1. System Specialist/Technical Coordinator**

The State requires a minimum of one (1) System Specialist to be available to the State at no additional cost and who has a minimum of three (3) years of experience in computer and disk management, performance analysis, and operating system tuning. This person shall also be responsible for coordinating the Contractor's efforts to service and support the State. If more than one (1) system specialist is available, one (1) system specialist shall be designated primary and shall have a minimum of three (3) years of experience in all aspects of maintenance and support of large systems customers. The System Specialist shall be available to assist on an

ongoing basis without limit as to hours and must be on site within two (2) hours of request from 8:00 AM to 5:00 PM, Monday through Friday. For weekends, holidays and hours outside of 8:00 AM and 5:00 PM on weekdays (the normal business day), the System Specialist shall be available with one day's notice at no cost to the State.

## 2. **Installation Planning Specialist**

The State of Hawai'i requires an Installation Planning Specialist with a minimum of three (3) years of experience in planning and installing the equipment offered to assist the State by providing recommendations and guidance in the following areas:

- a. **Machine Placement and Location/Room Layout**. The State requires the Installation Planning Specialist to guide the process of determining proper service clearances, cable layouts, and cable lengths.
- b. **Electrical Requirements**. The State requires the Installation Planning Specialist to determine the electrical specifications and power requirements of machines offered.
- c. **Cooling Requirements**. The State requires the Installation Planning Specialist to determine the machine cooling requirements.
- d. **Environmental Factors**. The State requires the Installation Planning Specialist to assist the State in measuring and/or determining the source of environmental problems such as radio frequency interference, voltage fluctuations, inadequate cooling/air conditioning, etc.
- e. **New Machine Installation**. The State requires that the Installation Planning Specialist provide assistance in planning the machine room layout and site preparation for new machines with the exception of machines designated for State setup.

## 3. **Programming Support Specialist**

The State requires the assistance of one (1) Programming Support Specialist in problem determination by analysis and diagnosis of traces, error logs and dumps, and the support and management for all installed versions and releases of the software identified in RFP Section 2.25, Knowledge and Skills Requirement. The Programming Support Specialist must also be available to guide software maintenance application and program planning for hardware installation and reconfiguration of the State's system. If more than one (1) Programming Support Specialist is available, one (1) Programming Support Specialist shall be designated primary and the other alternate. The Programming Support Specialist shall be available to the State to assist on an ongoing basis without limit as to hours and must be on site within two (2) hours of request from 8:00 AM to 5:00 PM, Monday through Friday. For weekends, holidays and hours outside of 8:00 AM and 5:00 PM on weekdays (the normal business day), the Specialist shall be available with one day's notice at no cost to the State.

4. Except for the following two conditions, the State will not accept a single individual functioning in multiple categories.

- a. One individual can function as both an installation specialist and hardware maintenance engineer.
- b. One individual can function as both a programming support specialist and system specialist.

## 2.12 **ACCEPTANCE TEST**

The Contractor shall notify the STATE PM of completion of installation and of all system diagnostic tests. The STATE PM will schedule its acceptance test that consists of operating the system; hardware, software and/or services proposed; in production for thirty (30) days. This test shall begin within ten (10) days after Contractor's notification that the installation is complete or as agreed upon by the PM and the STATE PM.

Upon successful completion of the acceptance test the State shall notify the Contractor in writing and authorize payments.

## 2.13 **TRAINING REQUIREMENTS**

Some training will be necessary for operations and systems software personnel in equipment operation, and problem tracing and determination. The Contractor shall be prepared to conduct training within three (3) weeks of a request by the State at the State's site.

1. **Operator Training** – The purpose is to provide Shift Supervisors and/or Lead Operators with one (1), one (1) hour session of extensive hands-on training in the operational use of the proposed equipment.
2. **System Programmer Training** – The purpose is to provide group sessions with extensive training for systems software personnel in file migration, system generation, and system configuration. Follow-up sessions shall also include tuning and data recovery and be provided within two (2) weeks of request.

## 2.14 **SOFTWARE TERMS AND CONDITIONS**

### 1. **Grant of License**

Contractor shall grant to the State a perpetual, non-transferable, and non-exclusive license for all of the features and functionality contained in software including all of the computer program(s) consisting of a series of instructions or statements in machine readable object code form, any revisions or updates provided by Contractor to State pursuant to the contract, and the Program Documentation, for State users to use. Term of the license shall begin with the effective date of CONTRACT. State's rights under the resulting contract shall not be assigned, sublicensed, or otherwise encumbered or transferred by the State except with the prior written consent of the Contractor. Transfer of the equipment to another State agency shall not constitute an assignment requiring Contractor's consent. However, if such a transfer is made, State will notify Contractor as soon as reasonably practicable.

Title in, and ownership of software, shall remain at all times with the Contractor. The Term of the license shall coincide with the term of the contract that begins upon acceptance of the equipment.

## **2. Use and Protection of Software**

Software shall be installed on the computer system(s) that are part of the Offeror's proposal and shall be used by the State, its authorized employees, consultants, and subcontractors under contract to the State, working solely for the benefit of the State, and those Private Agencies authorized to access software. State's sole responsibility for consultants and subcontractors on contract to the State will be limited to that described in the Other Software Requirements later in this section. State shall use its best efforts to not permit or provide for transfer or reproduction of software, or any portion thereof, to be placed on a computer not at the installation site, by physical or electronic means, unless specifically authorized. State shall not make and shall use its best efforts to not allow others to make copies or reproductions of software, or any portion thereof, or documentation in any form without the prior written consent of the Contractor. The distribution or disclosure of software, including derivative works, modifications, or adaptations, made by the Contractor are expressly prohibited.

Except as expressly stated herein, the State may not alter, modify, or adapt software, including but not limited to translating, reverse engineering, decompiling, disassembling, or creating derivative works, and may not take any other steps intended to produce a source language statement of software or any part thereof without the Contractor's prior express written consent which shall not be unreasonably withheld.

State will be the sole owner of all codes developed or generated by or for the State through the use of software, provided that such codes contain no source or object codes of software. Further, the State will be the sole owner or custodian of data transmitted, received, or manipulated by software.

State shall be authorized to copy and use software for backup, archival, and disaster recovery purposes. Software may be used on a backup CPU whenever the ICSD's computer system is temporarily inoperable, until such CPU is restored to operation. Software may be used on a backup CPU concurrently for up to one (1) month for disaster recovery testing per year and for any period for actual disaster recovery.

## **3. Other Software Requirements**

State shall use its best efforts to keep confidential all software not protected by copyright. State will reasonably protect such information and, at minimum, provide the same safeguards afforded its own confidential information. Contractor will keep confidential all information to which it has access in the performance of the resultant contract executed pursuant to this RFP. Confidential information shall not include information now or hereafter in the public domain, information already in the possession of the other party, information obtained from another source without obligations of

confidentiality, information independently developed, or information required by a court or government order or applicable law.

**4. Software Maintenance**

As part of the Offeror's proposal, software that is required or necessary as part of the installation or on-going operation of the new P590 Replacement System and Consolidated Storage System shall be included in the lease price and identified on Appendix B, Cost Proposal Worksheets.

**a. Purchased Software**

Software proposed on a one-time license fee or purchase basis shall provide a minimum warranty period of sixty (60) days. The cost of annual maintenance fees for proposed software shall take into account the warranty period for the software and be included in the lease price and identified on Appendix B, Cost Proposal Worksheets. At the termination of the lease, the software license shall remain with the State but maintenance shall end.

**b. Licensed Software**

Software proposed on an annual or monthly license fee basis shall include a warranty period of one (1) year. The cost of annual license fees for proposed software shall take into account the warranty period for the software and be included in the lease price and identified on Appendix B, Cost Proposal Worksheets. At the termination of the lease, the software license shall end.

**5. Software Maintenance Renewal**

This RFP and its resultant contract shall not provide for renewal of either software maintenance or annual or monthly license fees. The State shall have the option to renew in accordance with State procurement laws and practices in effect when this RFP and its resultant contract terminates.

**6. Software Warranty**

Contractor warrants that it has full power and authority to grant the rights herein described. Contractor's obligation and liability under this Section shall be to obtain any authorization necessary to make effective the grant of license to the State to use software, at the Contractor's own cost and expense.

Contractor warrants that software will conform to the published product specifications and Program Documentation in effect at the effective date of the contract. Contractor further warrants that, for the term of the contract, software will perform substantially in accordance with its documentation. Contractor does not warrant that the operation of software will be error free. Contractor's obligation and liability under this Section and the Contract shall be to replace or correct software so that it will so perform. In its obligation to correct software, the Contractor will also provide assistance and consultation to the State, at no additional charge to the State, for problem determination and resolution with the use of software. This will include

diagnosis and verification of problems, and correcting errors and defects in software.

State's sole remedies for damage or loss (except personal injury or property damage) arising from use of software, Contractor services, or breach of warranty shall be the repair or replacement of software. Contractor shall have no liability or responsibility for problems in software caused by alteration or modification by the State not authorized by the Contractor, or for problems arising out of the malfunction of equipment or other software not supplied by the Contractor.

## 2.15 **SAFEGUARD DATA**

Due to the confidential and critical nature of the State's data, Contractor shall ensure that appropriate safeguards to protect the confidentiality of the State's data are in place and maintained at all times. Offerors are required to comply with General Condition Paragraph 42 (Refer to RFP Appendix E, Standard Contract General Conditions) as Federal Tax Information (Refer to RFP Appendix I, Federal Requirements) or Personal Identity Information may be involved.

## 2.16 **DOCUMENTATION**

### a. As Built

The Offeror shall provide "as-built" diagrams for all equipment to be installed as part of the proposal including but not limited to equipment, racks, cable distribution, pathway infrastructure, cross-connects, and room layouts.

All drawings shall be submitted on hard copy and electronic soft copy in a format acceptable to the STATE PM. Documentation shall be provided as part of the Offeror's proposal. The Contractor should confirm with the State prior to submission the appropriate format.

### b. Hardware Manufacturer

The Offeror shall provide all manufacturer hardware manuals needed to operate, configure, and customize the **new P590 Replacement System and Consolidated Storage System**. This documentation shall be provided on machine readable format acceptable to the STATE PM by the delivery date of the equipment.

### c. Software Publisher

The Offeror shall provide all software manuals needed to operate, administer, and customize the software on the system. This documentation shall be provided in machine readable format acceptable to the STATE PM by the delivery date of the software.

### d. State Required Procedures

The Contractor will create written "run books" documenting the procedures and tasks needed to be performed by the intended audience of the hardware, software and/or services proposed on a day-to-day basis. The audience consists of operators. This documentation shall be provided on

machine readable format acceptable to the STATE PM within four (4) weeks of the completion of the requirements in RFP Section 2.12, Acceptance Test.

The Contractor should consult with the STATE PM prior to the commencement of this requirement.

e. State Requested

The State may request additional information, documentation, and drawings which shall be submitted on hard copy and reproducible electronic format as directed by the STATE PM. Documentation shall be provided in accordance with RFP Section 3.5, Submission of Requested Information and Documents.

2.17 **ON-SITE VISIT**

The State is agreeable to providing site visits (RFP Section 1.7, Orientation/Site Visit) upon request by prospective Offerors to verify machine placement and configuration, and facilities available at the ICSD Computer Center. On-Site visits are provided to aid the Offeror to make its proposal better meet the requirements of this RFP. Such site visits shall be at the convenience of the State and shall be arranged with the STATE PM.

The State will make the final determination of any issues with equipment placement, floor load bearing capacity, and precautionary actions necessary to protect State facilities and property.

2.18 **FEDERAL REQUIREMENTS**

The State operates several servers both physical and virtual that contain federal information for which language must be included. As a result Contractors must comply with the applicable requirements identified in RFP Section 1.23, Federal Requirements.

2.19 **CURRENT CONFIGURATION**

2.19.1 **P590 Configuration**

The following items included as part of RFP Appendix J, P590 Configuration, represent the current configuration data for the P590 currently in operation. Offerors are provided the following information as the basis for their proposals to replace it with a configuration that is more highly available. **Offerors are directed to consult RFP Section 2.2, Objectives, and RFP Section 2.5, General Installation, for the objectives for this new system.**

- a. Hardware configuration
- b. Logical Partitions Defined
- c. Current Operating System Versions

2.19.2 **Storage Systems**

The following items included as part of RFP Appendix K, Consolidated Storage, represent the current configuration data for the three (3) storage systems currently in operation. Offerors are provided this information as the basis for

their proposals to replace it with a configuration that is easily managed by 25% of a full-time equivalent staff. Offerors are directed to consult RFP Section 2.2, Objectives, and RFP Section 2.5, General Installation, for the objectives for this new system.

- a. Storage System Hardware Configuration
- b. Configuration of Server Systems Connected
- c. Configuration of Storage Area Network (SAN) Switches Connected to DS8100

## 2.20 **CONSOLIDATED STORAGE SYSTEM**

The proposed disk storage system is intended to replace three (3) existing storage systems, a DS8100, an N-Series and an HP EVA. Total storage capacities are summarized in RFP Section 2.20.2, Capacity Requirements, below.

The Consolidated Storage System must connect to the P590 replacement system and also permit it to be connected to other AIX, Windows and Linux servers currently being supported by the DS8100, N-Series, and HP EVA.

If the Offeror's proposal includes a disk storage system integrated into the P590 Replacement system, this disk storage system must be integrated or part of the Offeror's overall P590 replacement proposal. Offeror shall include an explanation of the options available to the State in Proposal Section 8, Technical Information, on a separate page titled "P590 Replacement system Integrated Disk storage System".

### 2.20.1 **Existing Server Connections**

The Consolidated Storage System must continue to support the servers connected to the existing storage systems identified in RFP Section 2.20.2, Capacity Requirements. These servers are identified here.

- 1) The existing P590 supporting the Department of Tax and Commerce and Consumer Affairs over Fiber Channel to the DS8100
- 2) The existing x-Series Blade Center supporting the Virtual Server projects over iSCSI to the N-Series
- 3) The existing x Series Blade Center supporting the Public Utilities Commission and the Campaign Spending Commission over Fiber Channel to the DS8100
- 4) The existing intel servers supporting various network management systems logs over Fiber Channel to an HP-EVA

### 2.20.2 **Capacity Requirements**

The storage capacity of the current storage system is as follows:

1. DS8100 – 13TB
2. N-Series – 16TB
3. HP-EVA – 20TB

The configuration for these storage systems are identified in RFP Appendix K, Consolidated Storage.

Additional storage is also required that will bring the total storage capacity the Consolidated Storage System must provide to the manufacturers closest configuration of a minimum of 100 TB without going under. For evaluation purposes only, if more than 100 TB is proposed due to manufacturer design, the cost for 1 TB will be calculated from the lease cost for the 100 TB (provided on RFP Appendix B, Proposal Cost Worksheet, under Items for Proposal Evaluation) and multiplied by 100.

The Offeror shall also include in its proposal the incremental cost of additional 50 TB of disk storage. The purpose is to address additional storage requirements if additional funding is obtained. The Offeror shall insert the lease cost of the additional 50 TB disk increments, without going under, on RFP Appendix B, Optional Item, a. For evaluation purposes only, the cost for 1 TB will be calculated from the lease cost for this optional item and multiplied by 50. If additional disk capacity is needed, this increment may be added to the Consolidated Storage System through the contract amendment process, conditioned on the availability of funds.

### 2.20.3 **SAN Switch**

The Offeror must include a 32 port replacement to the currently installed Brocade and McData switches that is compatible and functionally similar. The replacement SAN switch must be a fiber channel director unit that can interconnect storage devices, hosts, and servers in a SAN. It must provide high-performance, be highly reliable and be highly scalable.

The configuration for the existing switches is identified in RFP Appendix K, Consolidated Storage.

In Proposal Section 8, Technical Information, Offerors will provide a detailed configuration and explanation of how the new SAN switch will or will not be integrated. This shall be on a separate page titled "SAN Switch"

### 2.20.4 **Management Requirements**

The State requires that the support and management facilities provided by the Consolidated Storage System must be easy to use and managed by 25% of a full-time equivalent staff. This requirement is the result in the dramatic reduction of staff and that the State now requires a higher level of automation even as it applies to configuration and support of the Consolidated Storage System.

In Proposal Section 8, Technical Information, Offerors will provide a detailed configuration and explanation of how the Consolidated Storage System will meet this ease of management requirement. This will be on a separate page titled "Ease of Management".

### 2.20.5 **Vmware Support**

The Consolidated Storage System must support Vmware functions and features to include but not be limited to the vStorage APIs for Array integration

(VAAI) and Storage Awareness. The Offeror must include in Proposal Section 8, Technical Information, and a list of Vmware functions and features the proposed Consolidated Storage System supports. This will be on a separate page titled "VMware".

#### **2.20.6 Migration Services**

The Offeror shall include in its proposal installation services to migrate data from the existing storage systems to the Consolidated Storage System on a one time basis. At the completion of the migration, all servers identified in RFP Section 2.20.1, Existing Server Connections, must be connected to the Consolidated Storage System and be operational. Offerors shall refer to RFP Section 2.5.4, General Installation, and Services. In Proposal Section 8, Technical Information, Offerors will provide a detailed itemized list with an explanation of the services included on a separate page titled "Migration Services".

#### **2.20.7 Comparison With Existing Equipment**

The existing storage systems identified in RFP Sections 2.19, Current Configuration and RFP Section 2.20, Consolidated Storage System, the State estimates based on its best technical approximation that all storage systems have a combined IO rate of 30,000 IOs per second. The replacement system must provide more performance and at a minimum sustain 40,000 IOs per second with the ability to grow to 60,000 IOs per second based on the State's best estimation of its growth requirements over the next several years.

Further, the Consolidated Storage System will be supporting major Oracle databases and by the State's estimation a minimum response time must be 7 milliseconds or less. Since the State is also concerned with space, the Offeror shall provide the floor space requirement for the proposed Consolidated Server system and also the floor space requirement the proposed system will need if the State had to grow to 60,000 IOs per second and separately the floor space requirement if the State needed to add an additional 50TB of capacity.

In Proposal Section 8, Technical Information, Offerors will provide the following information. What additional capacity or space will be needed to grow to 60,000 IOs per second; the space needed to add 50TB of additional capacity; the IOs per second of the proposed system which should be a minimum of 40,000 IOs per second; and what is needed to grow to 60,000 IOs per second; and what the response time will be for the proposed system to keep to 7 milliseconds; and what the response time will be if the State added an additional 50TB or more. This information shall be included on a separate page titled "Comparison with Existing Equipment".

#### **2.21 P590 REPLACEMENT REQUIREMENTS**

The current P590 system must be replaced and the replacement system must provide a more redundant and reliable production environment. In particular, all Offeror proposals must have at its core, provisions that make it more highly available. In Proposal Section 8, Technical Information, on a separate page titled "Recovery Time", Offerors will provide a detailed explanation of how their proposal will provide a solution that minimizes recovery time for the AIX

operating system from any hardware component failure. The availability for the hardware and AIX operating system components are identified below in RFP Section 2.21.3, Required Redundancy.

The current P590 system configuration is itemized in RFP Appendix J, P590 Configuration.

The State has the following requirements.

#### **2.21.1 Support for Current Software**

The current Operating System version for each partition on the P590 is identified in RFP Appendix J, P590 Configuration. Offerors shall identify all support issues associated with the versions listed as an entry in Proposal Section 8, Technical Information, on a separate page titled "AIX Version Exceptions". The Offeror shall also provide alternative solutions.

#### **2.21.2 Services Management and Cloud Provisioning**

The State has an interest in solutions that implement Cloud architecture. To that end the proposed P590 Replacement shall include but not be limited to the following capabilities. Offerors will provide a detailed explanation of how their proposal complies with these requirements and how they implement Cloud architecture, in Proposal Section 8, Technical Information on a separate page titled "Cloud Provisioning".

1. Provide a facility to monitor the partitions (virtual machines) including but not limited to performance.
2. Provide a facility to track resource usage.
3. Provide a facility to automatically provision resources.
4. Provide a facility to manage the process of provisioning through the approval of the assignment of resources.
5. Provide a hardware and software facility that enables cloud provisioning.

#### **2.21.3 Required Redundancy**

The proposed P590 replacement must be configured to provide a more highly available system. Single component failures within the proposed P590 replacement shall not cause the failure of any partition or virtual machine.

The following infrastructure elements must be capable of being provisioned in a way that a single hardware component failure will not result in the cessation of processing activities of a partition (virtual machine).

1. Memory
2. Processor component, module or blade
3. Hard drive
4. Also firmware upgrades that are invasive

In addition, P590 replacement should be configured to allow shifting of defined partitions so as to permit the operation of the Department of Taxation and the

Department of Commerce and Consumer Affairs to operate independently and in isolation of each other (Isolation Requirement).

In Proposal Section 8, Technical Information, on a separate page titled "Required Redundancy", the Offeror shall detail and explain how his proposal satisfies the requirement to provision a partition or virtual machine in such a way that the failure of any hardware component(s) that comprise the replacement P590 system, including those components identified above, will allow the replacement P590 system to continue to function in such a manner that the department users will not be aware of the failure. Also, delineate how the proposed replacement will comply with the Isolation Requirement above.

#### **2.21.4 Migration of Existing Partitions**

The P590 currently supports partitions of two (2) Departments, Tax and Commerce and Consumer Affairs. The resource assignments for each of the partitions have been detailed in RFP Appendix J, P590 Configuration. Offeror shall note that each department has been configured with its own VIO partitions.

Offerors shall provide migration services to assist in moving servers to the P590 replacement. In particular the migrations shall be performed in such a manner that it provides for and complies with the requirements for higher availability and redundancy defined in RFP Section 2.21, P590 Replacement Requirements, inclusive.

Offerors will provide a detailed explanation of how their proposal complies with these requirements, in Proposal Section 8, Technical Information on a separate page titled "Migration of Existing Partitions".

#### **2.21.5 Firmware, HMC, AND VIO Software Installation**

The Contractor shall be responsible for the installation of all firmware, HMC software and VIO software. The Contractor must also keep the installed firmware, HMC software and VIO software current with respect to each individual software publisher's announced release dates until the completion of the State's acceptance test. Prior to the installation of any software, the Contractor shall prepare an installation checklist identifying all of the tasks required and back out steps required in the event of an error. The State may assist and will observe the work of the Contractor.

The Contractor shall turn over all software installation media and material upon completion of the acceptance test. The Contractor shall also inform the State by updating the installation checklist of the location of any software backups taken as part of the installation procedure.

#### **2.21.6 P590 Removal and Disposal**

The Offeror will remove and dispose of the existing P590 in an environmentally responsible manner. The trade-in value (noted as trade-in) or disposal fee (noted as disposal fee) will be included on RFP Appendix B, Proposal Cost Worksheet item q with the appropriate notation. The Offeror will also allow for the retention, by the State, of all hard disks contained within the P590 that were accessed by the defined partitions.

The Offeror shall also be aware that prior to release of the equipment for disposal the State must obtain authority to dispose of the State owned equipment. The State estimates that this process should be complete before the planned end of the project. Further, destruction of data on all hard drives whether by physical or electronic means must be included in the cost. This cost shall be identified in the RFP Appendix B, Proposal Cost Worksheet item u.

Offerors will provide a detailed explanation of how their proposal complies with the data destruction requirement, in Proposal Section 8, Technical Information, on a separate page titled "Data Destruction".

#### **2.21.7 Cloud Facility Provisioning Option**

The P590 replacement shall be capable of provisioning AIX partitions as required in RFP Section 2.21.2, Service Management and Cloud Provisioning.

As an option, the Offeror shall include the cost of a similar capability for Intel oriented operating system partitions in RFP Appendix B, Proposal COST Worksheet under Optional Items. The option shall be the lease cost of one complete unit (center, rack or shelf) and the technical specification shall be summarized in Proposal Section 8, Technical Information, on a separate page titled "Intel Oriented System".

#### **2.22 CABLES AND CONNECTORS**

The Offeror will include in his proposal all necessary cables as required in RFP Section 2.5.2.d, 2.5.2.i, 2.5.2.l, and 2.5.2.n, General Installation, Hardware Installation to make the Consolidated Storage System and the P590 replacement system operational.

In addition, the Offeror will include in his proposal twenty-five (25) fifty (50) foot fiber cables of a quality that they can be used to connect servers to the Consolidated Storage System at the maximum transmission speed rated by the manufacturer. This item will be included on the RFP Appendix B, Proposal Cost Worksheet.

#### **2.23 LEASE OF EQUIPMENT**

The existing P590 and storage systems identified in RFP Section 2.19, Current Configuration are owned by the State. This RFP is a request for leasing proposals for a period of (5) five years and (7) seven years. The cost for each year will be fixed with funding to be determined annually by the budgeting and appropriation process of the State.

RFP Appendix B contains two Proposal Cost Worksheets, one for (5) five years and one for (7) seven years. Both must be completed in their entirety. Prior to the start of the evaluation process, the State will make a determination on which term, 5 or 7 years, the State will select.

##### **2.23.1 Funding Cap**

Offerors are further advised that as funding for the lease originates from an appropriation, the State cannot accept Offers whose annual total lease cost is more than \$450,000 including all applicable taxes.

### **2.23.2 Operating Lease**

The lease Offerors propose must be an operating lease that enables the State to treat lease payments as ordinary expenses, booked as they are incurred. The State's lease terms and conditions are part of the requirements of this RFP and is attached as Appendix L, State's Lease Terms and Conditions. The State may require that the lease provide the State with the option to extend the lease of specific elements of the new P590 Replacement System and Consolidated Storage System.

### **2.23.3 Maintenance for Leased Equipment**

The operating lease resulting from this RFP requires the inclusion of maintenance for the equipment and software over the life of the lease.

### **2.23.4 Lease Terms and Conditions Options**

The lease options acceptable as responses to this RFP are as follows:

- a. A lease with payments to the Offeror named as the Contractor of the Contract issued for this RFP.
- b. A lease with the Offeror with payments assigned to a third party.
- c. A lease with a third party company and payments assigned to that third party company.

### **2.23.5 Treatment of Other Terms and Conditions**

Any exceptions to RFP Appendix L State's Lease Terms and Conditions must be noted in Offeror's Proposal Section 10, Exceptions, with alternate language proposed. The RFP Section 4, Proposal Evaluation, contains the State's evaluation criteria and point assignments for Proposals.

### **2.23.6 Extended Warranty**

The Contractor shall provide an extended warranty period for the full term of the lease contract for all hardware and software included as part of the proposal. The extended warranty may be comprised of the manufacturer's initial warranty plus maintenance for the remainder of the lease term.

## **2.24 DISASTER RECOVERY SERVICE**

The ICSD does not have a current subscription or provider for disaster recovery services. Also, no funding has been appropriated for the current and foreseeable future biennium budgets.

## **2.25 KNOWLEDGE AND SKILLS REQUIREMENTS**

The requirements for experience identified below are the minimums the State requires. Experience listed must include the minimums but experience with higher software versions, or hardware more current or capable of higher performance is acceptable. Due to the nature of the services being requested, the State is looking for the most current experience possible.

### **2.25.1 Hardware**

The Offeror must have the necessary experience with the hardware being offered. The years of experience must be commensurate with the length of time the hardware has been marketed by the manufacturer.

#### 2.25.2 **AIX**

The Offeror must have a minimum of five (5) years of hands-on experience with at minimum the installation, implementation, customization, maintenance (including patching), problem resolution, and optimization of AIX. The current software versions for AIX are 5.2, 5.3 and 6.x. Related AIX experience involving the establishment and customization of a NIM Server (Network Installation Manager) and a DNS (Domain Name Server) are also required.

The Offeror must have at least five (5) years of experience with IBM Regatta P670, and three (3) years of experience with IBM Regatta P590, P570, and P520. This shall include HMC maintenance upgrades, patches and problem resolution.

The ICSD has operated an IBM Z800 disk array since 2003 and a DS8100 storage system since 2007 with its Regatta systems. The Offeror must have seven (7) years of experience with configuring and customizing AIX systems with a disk storage system like the Z800 and three (3) years with the DS8100 storage systems.

#### 2.25.3 **NIM Server**

The Offeror must have a minimum of five (5) years of hands-on experience with the installation, implementation, customization, maintenance (including patching), problem resolution, and optimization of a Network Installation Manager server for the equivalent AIX versions installed at the State. This must include the installing and maintaining of AIX makesysb images.

The Offeror must also be able to provide guidance and recommendations on configuring a NIM server based on the requirements identified by the State.

The Offeror must be able to configure the NIM server to automatically transfer backup images to the NIM environment.

#### 2.25.4 **VIO Server**

The State has implemented a Virtual I/O server on its P590 to share access to an attached DS8100 disk storage system. The Offeror must have a minimum of two (2) years of experience with the installation, implementation, customization, maintenance (including patching), problem resolution, and optimization of a VIO server on a P590 with AIX 5.2. This shall also include loading patches, backup and restore, and integration with ICSD's NIM server.

#### 2.25.5 **SDDPCM**

The State has implemented the Subsystem Device Driver Path Control Module as part of the VIO server to handle IO to the multipath IO capable DS8100 storage subsystem. The Offeror must have two (2) years of experience with the installation, implementation, customization, maintenance (including patching), problem resolution, and optimization of SDDPCM in a VIO server on a P590 with AIX 5.2. Higher levels of AIX and hardware more current than the

State's P590 are acceptable. This experience shall also include loading patches, configuring the VIO server for SDDPCM, and integration with the DS8100 subsystem and other multipath capable devices.

#### 2.25.6 **HMC**

The State has implemented several P series IBM processors that have a Hardware Management Console. The Offeror must have five (5) years of experience with HMC version 7.3.4 or higher with experience that includes installation, implementation, customization, maintenance (including patching), problem resolution, and optimization. The Offeror must have the skill and ability to research and become knowledgeable with previous and later versions as they are released.

#### 2.25.7 **Firmware**

Firmware or microcode is shipped and is part of the hardware that controls its function. Firmware is part of but not limited to the HMC, P series technology processors like the P5 and P6 servers currently installed at ICSD.

The Offeror must have experience with the installation of firmware for hardware dating from the P5 series technology processors. Further, Offeror must have the skills and abilities to work with hardware engineers and hardware maintenance support to resolve firmware version level and installation issues.

#### 2.25.8 **Other Specific Knowledge, Skills and Abilities**

The following items are related to the software listed above and are included as part of the experience, knowledge, skills and abilities required.

- The Offeror must possess knowledge of the virtual SCSI environment to either boot the LPAR or standalone AIX server from either local disk or SAN using MPIO facilities.
- The Offeror must possess knowledge and skills necessary to configure, manage and resolve problems in a virtual Ethernet environment with shared Ethernet adapter trunking and failover.
- The Offeror must possess knowledge and skills necessary to configure, manage and resolve problems with integrating and networking AIX servers in an Ethernet network with CISCO core switches, VPN, and virtual firewalls.

As the software experience requirements above are closely related to the hardware they are installed on, the Offeror must possess knowledge and skills necessary to install, configure, manage, and resolve problems with various IBM P-Series servers.

## SECTION 3

### PROPOSAL PREPARATION INSTRUCTIONS

#### 3.1 BASIC UNDERSTANDING

The intent of this section is to make proposal preparation easy and efficient, while giving Offerors ample opportunity to highlight their proposals. The format is also intended to make the evaluation process manageable and effective. When an Offeror submits a proposal, it shall be a complete proposal for accomplishing the tasks described in this RFP, including any supplemental tasks the Offeror has identified as necessary to successfully fulfill the requirements of this RFP. All proposals become the property of the State of Hawai'i.

#### 3.2 GENERAL INSTRUCTIONS FOR COMPLETING PROPOSAL

Proposals shall be prepared in a straightforward and concise manner and shall describe the proposal and Offeror's capabilities in a format that is consistent and appropriate. Emphasis shall be on completeness and clarity.

The sections outlined below will be referred to as Proposal Sections and are intended to provide a common format for the placement of information necessary for the State to evaluate proposals.

General instructions for completing proposals:

- All prices cited in the Offerors proposal must include Shipping and Tax. These items will be separately listed on the RFP Appendix B, Proposal Cost Worksheet. If these items are applicable to several items in the Offeror's proposal, then all shipping items and all tax items must be accumulated and reported on the Shipping and Tax line items on RFP Appendix B, Proposal Cost Worksheet.
- All offers submitted shall be typewritten. Offerors are cautioned that illegible offers or item(s) may be automatically rejected to avoid any errors in interpretation by the reviewers during the evaluation process.
- Proposals shall be submitted to the State purchasing agency using the prescribed format contained herein.
- Offerors shall submit 5 copies of their proposals, one original and 4 copies. All copies should be labeled as COPY x of 4. The original must be labeled "ORIGINAL". It is imperative that the Offeror submit only one original and the required number of copies. DO NOT SUBMIT MORE THAN ONE ORIGINAL. The ICSD shall not provide any reimbursement for the cost of developing, presenting, submitting, or evaluating any proposal in response to this RFP.
- Proposal Sections (1, 2, 3, etc.) should be tabbed using indexed tabs labeled according to the format specified in Appendix C, Sample Proposal Table of Contents. Offerors may either label the tabs with the title of the proposal section or use the number that corresponds to the proposal section.

- Proposal Section numbering including the titles/subtitles shall be used. Proposal Section 3.3, Proposal Format specifies the section numbers and titles required.
- The Offeror's name and RFP number should be placed on the top right hand corner of each page as part of the page header.
- Offerors may include the instructions for each section.
- Proposal page numbering should be consecutive, beginning with page 1 and continue through the last page.
- Offerors are required to place their Proposals in a binder or similar device and secured so as not to come apart. The State shall not be responsible for proposals that come apart. If the Offeror's Proposal does come apart, the State will do its best to put the proposal together correctly but shall not be held responsible if it is not.
- Offerors must also include a Table of Contents with the Offer. See Format specified in Appendix C, Sample Proposal Table of Contents.
- Offerors are **strongly** encouraged to review the evaluation criteria in RFP Section 4, Proposal Evaluation, when completing the offer.

### 3.3 PROPOSAL FORMAT

Proposals must be in the format and order specified in Appendix C, Sample Proposal Table of Contents. Failure to follow the format prescribed in the Offeror's proposal may be cause for the proposal to be determined to be non-responsive or impact upon the Offeror's score. In addition, the instructions and information that follow provide direction regarding information expected by the State.

Offerors are encouraged to review the evaluation criteria and to provide all information necessary and useful for the State to evaluate Offeror's proposal. The following are the proposal sections required, corresponding to Appendix C, Sample Table of Contents. Each proposal section described below contains information that the State requires to evaluate Offeror's proposal.

#### 1. OFFER FORM OF-1

In this section, the Offeror shall include the required documents found in Appendix A in the following order.

- A completed Offer Form
- Hawai'i Compliance Express certificates required by RFP Section 1.9.4, Certificates, should also be placed here.
- All documents that support or are related to the Offer Form. These documents shall be clearly labeled identifying the form, letter, or purpose for which they are included.

#### 2. EXECUTIVE SUMMARY

The Offeror shall place in this section a brief overview to orient evaluators as to the key elements of Offeror's proposal, a written explanation and justification as to the appropriateness of the Offeror's proposal and methodology, and how the proposed solution is designed to address the goals, objectives, and requirements of the RFP as identified in RFP

Section 2, Background Information, General Specifications, and Technical Requirements.

This section should also contain the following information as the last paragraph of this section:

- A statement as to the financial stability of the Offeror. The information required shall include but not be limited to length of time in business, number of employees, and a brief description of work previously performed.
- A statement that the Offeror warrants that the P590 replacement and Consolidated Storage system will work together and provide services and responsiveness better than the equipment they replace.

### 3. FIRM'S EXPERIENCE AND CAPABILITY

This section is intended to provide the Offeror the opportunity to demonstrate that it has the qualifications necessary to deliver the required goods and services.

This section requires similar experience. "Similar" in this context means:

- Equivalent or larger in size
- Utilization of the same or similar equipment as used by the ICSD as described in RFP Section 2, Background Information, General Specifications, and Technical Requirements.
- An installation that is equivalent to the requirements of this RFP

#### a. Necessary Skills and Experience

The Offeror shall place in this subsection information identifying the required unique and specialized skills, abilities, knowledge, and experience relating to the proposed equipment and services.

#### b. References

The Offeror shall provide in this subsection a list of experience with projects similar to the requirements of this RFP. These projects shall have ended within the past five (5) years. The Offeror must label this list "References".

For each reference, the following information shall be provided:

- Name of Company
- Address of Company
- Internet address for Company (if available)
- Description of Customer's Business
- Description of Services and/or Equipment Provided
- Date of Offeror's Service to Reference
- Name and Title of Contact Person
- Telephone Number for Contact Person
- Fax Number for Contact Person (if available)

The State may contact some or all of the references. The Offeror must clear such contact with the Reference to avoid any problems.

c. Support Hours

The Offeror shall provide in this subsection the hours during which the State will be able to contact Contractor for assistance for hardware and software problems or defects.

4. PROJECT ORGANIZATION AND STAFFING

a. Staffing

This subsection shall start with a representation that personnel shall not be substituted, removed, or added unless and until approved by the State. The Offeror shall further attest that staff assigned have the knowledge and skills required and the State shall have the right to request the removal of personnel from the project.

The Offeror shall next provide, starting on a new page, a comprehensive description of the firm's ability to meet the staffing requirements for this RFP.

The Offeror shall include job descriptions and resumes of all key personnel proposed to be assigned to the project. In addition, Offeror shall identify the number of years and type of experience each possesses. The Offeror must label as "Lead" the resume of the staff assigned the lead or primary staff position.

b. Subcontractors

In this section, if subcontractors are used, a statement from each subcontractor shall be included and signed by an individual authorized to legally bind the subcontractor. The following information shall be included in the Subcontractors statement:

- The subcontractor's name, mailing address, business address (if different), telephone number, fax number (if available), and contact person's name and title.
- The general scope of work to be performed by the subcontractor.
- The subcontractor's willingness to perform the work indicated.
- The subcontractor shall provide the same information required for Proposal Section 4.a Staffing but must be labeled as the subcontractor's staff.

No subcontract shall under any circumstances relieve the Contractor of its obligations and liability under the contract with the State.

c. Project Organization

In this subsection, the Offeror, including subcontractors, if any, shall provide the number and location of employees and resources that shall be committed to the project. The Offeror shall provide the names of all individuals who will be assigned to the project along with their function,

duties, and roles in providing the services needed to deliver a functioning system.

All employees and resources listed here are required to have resumes included in Proposal Section 4, Project Organization and Staffing, a. Staffing and b. Subcontractors, for staff.

## 5. TECHNICAL SOLUTION

In this section, the Offeror shall include the following subsections. Each subsection shall be labeled as specified and start at the top of a new page.

Offerors shall be responsible to insure that the information provided is understandable to a technical manager.

### a. Understanding of Requirements

This subsection shall contain a technical narrative that clearly demonstrates the Offeror's understanding of the scope, objectives, and requirements of RFP Section 2, Background Information, General Specifications, and Technical Requirements.

This subsection shall start with a technical overview of the solution and must describe the system(s) and services proposed.

The Offeror shall clearly describe in detail the Offeror's solution and a work plan identifying every step required to provide the hardware, software and services required by this RFP. If any task is found to be missing, the Offeror if selected shall nevertheless complete the task at no cost to the State.

This subsection should also describe how the Contractor will work and communicate with State personnel.

### b. Maintenance and Support to be Provided

In this subsection, the Offeror will provide information to substantiate compliance with the following:

- 1) Offeror's Proposal must be in compliance with RFP Section 2.10, Maintenance Requirements and specifically, RFP Section 2.10.13, Hard Disk Retention Option.
- 2) Identify who will provide maintenance and support for the equipment if it is not the Offeror.
- 3) Identify the maintenance and support service plan that will cover all hardware and firmware provided as part of the Offeror's Proposal, the maintenance practices and policies of the maintenance provider, and the maintenance provider's ability to service the State.
- 4) Attest that maintenance personnel are factory trained and certified on the equipment proposed and specify their names and experience.
- 5) Offeror shall identify the circumstances under which additional charges will be assessed the State beyond that which is part of the normal maintenance services included as part of this proposal.

c. Equipment

In this subsection, the Offeror shall provide the following information:

- 1) A comprehensive part number listing for all hardware and firmware to be furnished. Each entry shall be in compliance with all sections of this RFP and specifically RFP Section 2.8, Quality of Equipment.
- 2) A comprehensive list of software included as part of this proposal. Offeror shall provide for each software; the part number, specifications, dependencies, compatibilities with other software; the Software Publishers software life cycle; and any hardware and software dependencies that may affect the placement of the P590 Replacement and Consolidated Storage System into production use.

d. Assumptions

This subsection describes the assumptions made by the Offeror in developing the proposal, including price.

e. Potential Problems and Constraints

This subsection describes potential significant problems and constraints that the Offeror anticipates and the mitigating and/or proactive actions Offeror proposes to take with respect to these potential significant problems and constraints.

f. Diagrams

In this subsection the Offeror shall place all diagrams relevant to the requested goods and services. This should include but is not limited to "as built" diagrams indicating machine placement. When called for, additional diagrams are to be provided as required by RFP Section 3.5, Submission of Requested Information and Documents at no cost to the State.

g. Project Plan and Schedule

In this subsection, the Offeror shall place a statement that services will be available upon the execution of the contract resulting from the award of this RFP.

Offeror shall also place its project plan with dates relative to the Notice to Proceed as day 1.

h. Point Response

In this subsection the Offeror shall include a response to the specified items in RFP Appendix H, Itemized List for Offerors Point Response as to whether the offer 'Complies', 'Does not comply', or 'Takes Exception'. Explanations shall be provided for all responses as to why and how the Offeror 'Complies', 'Does not Comply' or 'Takes Exception'.

6. COSTS

In this section, the Offeror shall submit cost proposal(s) utilizing the pricing structure designed by the State purchasing agency as detailed below. This

section shall also include a narrative. The narrative should be on a separate page and provide an explanation, description, and clarification of the costs. The costs proposed should be reasonable and the items necessary for the execution and completion of the project described in this RFP.

a. Proposal Cost Worksheet

In this subsection, Offeror shall include both the 5 year and 7 year Proposal Cost Worksheets in RFP Appendix B. The first page of this section shall be a table of contents for this subsection. This shall be followed by the Proposal Section 6, Costs, narrative as described above and followed by both worksheets. Documents and information supporting the 5 year and 7 year lease proposals should be placed immediately after the respective Proposal Cost Worksheet. Documents and information common to both 5 year and 7 year Proposal Cost Worksheets shall be submitted once and included after both worksheets on a separate page titled "Common PCW Documents". Any Proposal Cost Worksheet related documents shall be included as the last pages of this subsection.

- i. Offerors shall be aware that the following optional items are components on the Proposal Cost Worksheet:
  - 1) Incremental disk storage. RFP Section 2.20.2, Capacity Requirements, identifies how the State requires the lease cost to be proposed.
  - 2) Lease cost for Intel (center, Rack or shelf). RFP Section 2.21.7, Cloud Facility Provisioning Option
- ii. Part 1 includes the reporting of all costs of interest and required by the State. The line item for Total Cost is the total cost used as input to calculate the 5 year or 7 year lease cost as appropriate.

Offerors shall include an itemized list of all component costs of the lease in their proposal that comprise the Total Cost. This should be included immediately after the 5 year and 7 year Proposal Cost Worksheets.

If the Offeror's proposal contains additional costs, they should be totaled as Other Cost Components and an itemized list of the costs attached after the respective Proposal Cost Worksheet as a separate page titled "Other Cost Components".

Part 1 of the Proposal Cost Worksheet also includes entries "Items for Proposal Evaluation" used to formulate the basis for scoring the cost component of this RFP. The specific methodology is specified in RFP Section 4.4.2, Phase 2 - Evaluation of Proposals, item 6, Cost.

- iii. Part 2. Experiences. Part 2 includes the declaration of the knowledge, skills and abilities of both Contractor and Subcontractor personnel.

- 1) Each item listed in Part 2 of the Cost Proposal Worksheet is to start on a separate page and labeled for each experience item. For example, all AIX staff should be listed starting on a separate page, all NIM Server staff should be listed on the top of the next page and similarly for all experience items listed.
  - 2) Summary information shall include for each of the required item(s) listed in Part 2 of the Cost Proposal Worksheet, the resource name, the information identified for that item and the years of experience. For example hardware, list each by manufacturer, model and type, the years of experience and scope. Offeror shall refer to each item listed on Part 2 for the information required.
  - 3) If Offeror is submitting more than one staff, then each staff should be numbered starting with the lead as number 1 and labeled "LEAD". All subsequent staff will be "Additional Staff". Offerors shall refer to RFP Section 2.11, Staffing for Project.
  - 4) The staff member's resume included as part of Proposal Section 4, Project Organization and Staffing, a. Staffing, and b. Subcontractors must clearly corroborate meeting the minimum experience requirements and list education and certifications, if applicable.
  - 5) RFP Appendix F, Proposal Cost Worksheet: Experiences. Offeror shall complete this form by entering the years of experience the "Lead" staff resource possess for each listed item in the column titled Experience for Lead. Offeror shall also enter the years of experience for all staff resources declared for this project including the lead individual.
- iv. Offeror shall include all components for hardware, software, and services necessary to place the P590 Replacement System and Consolidated Storage System into production. Offeror shall include all costs identified on the RFP Appendix B, Cost Proposal Worksheet. Services include but are not limited to:
    - 1) Floor tile work and electrical work needed for installation of the P590 Replacement System or removal of the existing P590.
    - 2) Removal of replaced storage systems identified in RFP Section 2.20, Consolidated Storage System.
    - 3) Data Destruction identified in RFP Section 2.5.2, General Installation, Hardware, item q.
  - v. The State may request further pricing structure breakdowns during the proposal review. Offeror shall also provide a comprehensive description of how it will ensure the most favorable pricing to the State for new products and substitutions over the course of the contract term.
  - vi. Offeror shall submit a single configuration priced for the lease period(s) specified in RFP Section 2.23, Lease of Equipment.

vii. The State has included optional items that should be priced as specified in Proposal Sections 6.a.i above. If the State elects to include the optional items, an Addendum will be issued to Offerors submitting proposals of the election by the State.

b. Supporting Documentation and Information

Offeror shall include documents or relevant information relating to the Cost here.

7. LEASE PROPOSAL

The Offeror shall place, as the first page, the following information titled "Lease Proposal" at the top. State's Lease Terms are included as RFP Appendix L, State's Lease Terms and Conditions. The contents shall include the following and be labeled accordingly:

- a. The name of the company through which the lease is being provided
- b. A statement that the Offeror is proposing an "Operating Lease".
- c. Written acceptance of the State's lease terms.
- d. If necessary, exceptions shall be included in Proposal Section 10, Exemptions, titled "Lease Proposal". Exceptions and proposed modifications of or additions to the State's lease terms proposed by the Offeror shall be provided.

8. TECHNICAL INFORMATION

The Offeror shall place in this section an itemized list of the contents of Proposal Attachment A as the first page(s) and title that list "Documents in Proposal Attachment A".

Next, the Offeror shall include, on a separate page, the following titled "Technical Information Required by RFP Section x.x.x", (e.g., Technical Information Required by RFP Section 2.5.4.a) in the following order below. Please refer to the RFP Section cited for each of the required items the specific content and title requirements for that item.

- a. Provide information required by sections of RFP Section 2.5.2.a, General Installation, and Hardware Installation.
- b. Provide information required by sections of RFP Section 2.5.2.b, General Installation, and Hardware Installation.
- c. Provide information required by sections of RFP Section 2.5.2.h, General Installation, and Hardware Installation.
- d. Provide information required by sections of RFP Section 2.5.2.q, General Installation, and Hardware Installation.
- e. Provide information required by sections of RFP Section 2.5.3.a, General Installation, and Software Installation.
- f. Provide information required by sections of RFP Section 2.5.4.a, General Installation, and Services.

- g. Provide information required by sections of RFP Section 2.20, Consolidated Storage System.
- h. Provide information required by sections of RFP Section 2.20.3, SAN Switch.
- i. Provide information required by sections of RFP Section 2.20.4, Management Requirements.
- j. Provide information required by sections of RFP Section 2.20.5, Vmware Support.
- k. Provide information required by sections of RFP Section 2.20.6, Migration Services.
- l. Provide information required by sections of RFP Sections 2.21, P590 Replacement Requirement, on how the proposal shall reduce recovery time.
- m. Provide information required by sections of RFP Section 2.21.1, Support for Current Software.
- n. Provide information required by sections of RFP Section 2.21.2, Service Management and Cloud Provisioning.
- o. Provide information required by sections of RFP Section 2.21.3, Redundancy Requirement.
- p. Provide information required by sections of RFP Section 2.21.4, Migration of Existing Partitions.
- q. Provide information required by Section 2.21.6, P590 Removal and Disposal.
- r. Provide information required by Section 2.21.7, Cloud Facility Provisioning Options.
- s. Provide information required by Section 2.20.7, Comparison with Existing Equipment.
- t. Offeror shall provide their product development plans for the next twelve (12) months to twenty-four (24) months. The State is seeking reasonable assurance that the equipment being offered is not at the end of its life cycle and the product line is still being developed and supported by the manufacturer. If this information is a trade secret or proprietary, the information shall be included in Proposal Section 11, Confidential Information and shall include a statement, titled "Statement of Support", that the equipment, software and services will be supported, marketed, maintained, and parts or components for the life of the lease resulting from this RFP.
- u. Offeror shall provide pictorial drawings, technical specifications, network interfaces specifications, memory capacity, disk specifications, processor specifications, and other description that demonstrate the performance, construction, and reliability of the equipment offered.

The Offeror shall place at the end of Proposal Attachment A all product brochures, descriptions, literature, or other materials required by this RFP or referenced in its proposal followed by a CD containing the documents listed on the itemized list. Although the State prefers to receive these documents in soft copy, the Offeror may substitute printed versions of the documents.

Other brochures and/or specification literature not otherwise required by this RFP shall be submitted upon request. If requested, such brochures and/or specifications shall be delivered within two (2) business days of the request.

Offerors may include as the last pages of this Proposal Section, an explanation of how the Offeror's Proposal meets the evaluation criteria of RFP Section 4.4.2, Phase 2 - Evaluation of Proposals, 5, Technical Solution. This information shall be titled "Evaluation Criteria of RFP Section 4.4.2, Phase 2 - Evaluation of Proposals, 5, Technical Solution". Offerors should specifically identify each criteria by outline reference number, for example, "5.b.8, Does Offeror maintain an adequate inventory of spare parts".

#### 9. LITIGATION

Offeror shall disclose any pending litigation to which it is a party, including the disclosure of any outstanding judgments. If applicable, please explain.

#### 10. EXCEPTIONS

Offeror shall list any exceptions taken to the terms, conditions, specifications, or other requirements contained in this RFP including the General Conditions. Offeror shall reference the RFP section where exception is taken, describe the exception, and provide a proposed alternative if appropriate. Failure to note any exception means that Offeror accepts and will comply with every term, condition and requirement of this RFP. The State reserves the right to not accept any exceptions or alternative proposals by an Offeror.

#### 11. CONFIDENTIAL INFORMATION

Offerors shall identify each portion of the proposal where information is claimed to be proprietary or confidential and not subject to disclosure and shall provide a reason and justification for each such claim. Proprietary information shall be easily removable from the proposal. Price is NOT confidential.

#### 12. ATTACHMENTS

Offeror shall include in Attachment A, all technical information required. Attachment B shall include other Offeror attachments.

### 3.4 OFFEROR'S TERMS AND CONDITIONS

Offerors shall not submit Offeror's terms and conditions, standard contracts or other agreements. General references to such terms or attempts at complete substitution of such terms may be declared non-responsive and result in the rejection of Offeror's proposal.

**3.5 SUBMISSION OF REQUESTED INFORMATION AND DOCUMENTS**

If additional information is required by the State regarding any aspect of Offeror's proposal, it shall be provided within two (2) business days after requested.

## SECTION 4

### PROPOSAL EVALUATION

#### 4.1 INTRODUCTION

The evaluation of proposals received in response to this RFP will be conducted comprehensively, fairly and impartially. Structural and quantitative scoring techniques will be utilized to maximize the objectivity of the evaluation.

#### 4.2 EVALUATION PROCESS

Prior to the start of the evaluation process, the State will make a determination on which term, 5 or 7 years, the State will select. The evaluation committee comprised of designated reviewers selected by the Procurement Officer shall review and evaluate proposals. The evaluation committee is comprised of individuals with experience in, knowledge of, and/or program responsibility for programs affected by the RFP.

The evaluation will be conducted in three phases as follows:

- Phase 1 – Evaluation of Proposal Requirements
- Phase 2 – Evaluation of Proposal
- Phase 3 – Recommendation for Award

#### 4.3 EVALUATION CATEGORIES AND THRESHOLDS

| <u>Evaluation Categories</u>                   | <u>Possible Points</u> |
|--|------------------------|
| Administrative Requirements                    | 5                      |
| Proposal Sections                              |                        |
| Offer Form OF-1                                | 0                      |
| Executive Summary                              | 0                      |
| Firm's Experience and Capability               | 20                     |
| Project Organization, Staffing, and Experience | 45                     |
| Technical Solution                             | 250                    |
| Cost   | 80                     |
| <b>TOTAL POSSIBLE POINTS</b>                   | <b>400</b>             |

#### 4.4 EVALUATION CRITERIA

##### 4.4.1 Phase 1 – Evaluation of Proposal Administrative Requirements (5 Points)

Review Appendix C, Sample Proposal Table of Contents, to verify that the necessary items have been submitted and all proposal sections are clearly labeled as required.

If deficiencies are found, they will be noted for clarification during Proposal Discussions. Refer to RFP Section 1.2, Procurement Timetable.

##### 4.4.2 Phase 2 – Evaluation of Proposal (395 Points)

1. Offer Form OF-1: No points are assigned to this section. The requirement is for Offeror to provide information required to complete legal and procurement forms.
2. Executive Summary: No points are assigned to the Executive Summary. The intent is to give the Offeror an opportunity to orient evaluators as to the Technical Solution (equipment, software, and/or services) being offered. However, a poor summary could negatively impact the evaluation of the Offeror's proposal.
3. Firm's Experience and Capability (20 points)

This section is weighted as a whole; no points are individually assigned. The State will evaluate the Offeror's experiences and capabilities against the specified general specifications and technical requirements of this RFP in the following categories:

- a. Demonstrated skills, abilities, and knowledge of Contractor and subcontractor (if any) relating to the delivery of the goods and/or services specified by this RFP.
  - b. Verifiable experience with projects or contracts for the most recent five (5) years that is pertinent and similar to the proposed goods and/or services specified by this RFP.
  - c. Sufficient quality assurance and completeness of the plans for the proposed goods and/or services.
  - d. Financial stability and a track record of success.
  - e. Qualifications of the Project Manager named by Offeror.
  - f. Do State employees have access to Offeror's staff during and outside of normal State business hours, toll free phone and fax numbers to contact key personnel?
  - g. Do State employees have access to the manufacturer's hardware and software publisher's software support centers?
4. Project Organization, Staffing, and Experience (45 points)

The evaluation for RFP Sections 4.4.2, Phase 2 – Evaluation of Proposal, paragraph 4.1 and 4.2 are assigned 10 points each. Points for RFP Section 4.4.2, Phase 2 – Evaluation of Proposal, paragraph 4.3, Experience, is assigned 25 points. The State will evaluate Offeror's overall staffing approach to the project that shall include the following.

- 4.1 Staffing (Weighted with paragraph 4.2 below as whole)

The following are evaluation factors for Staffing:

- a. Is the proposed staffing level adequate to meet the requirements of this RFP.
- b. Are the qualifications of the Offeror's staff adequate to provide the services required and do they meet the required minimum qualifications of knowledge, skills and abilities (including experience).
- c. Offeror's experience in providing the goods and/or services.

4.2 Project organization (Weighted with paragraph 4.1 above as whole)

The following are evaluation factors for Project Organization:

- a. Does the Offeror's approach and rationale for the structure, functions, and staffing for the overall project appear to be adequate.
- b. Does the Offeror state any unique qualifications that will contribute to the success of this project or provide an advantage to the State.

4.3 Experience (25 points)

Staff proposed will be evaluated using RFP Appendix F, Proposal Cost Worksheet: Experiences. The years of experience declared on RFP Appendix B, Proposal Cost Worksheet, Part 2 Experience, for the "Lead" and totaled by the Offeror on RFP Appendix F will be used to calculate the points for each item. The following formula will be used:

$$\frac{[\text{Offeror's declared years of experience for this line item} * nn]}{[\text{Highest declared years of experience for this line item}]} = \text{Calculated Points}$$

nn is the maximum points for the line item of the RFP Appendix F, Proposal Evaluation Worksheet.

Note that any decimal points for this section will be rounded to two decimal points. The rounding algorithm used will be that of the calculator used by the EC.

5. Technical Solution (250 points)

- a. Evaluation of Offeror's Technical Solution and Technical Information will be evaluated as a whole (50 points).
  1. Does the Offeror's explanation of the technical aspects and merits of its proposal meet the needs of this RFP?
  2. Does the Offeror state any unique technical knowledge, skills, abilities, or qualifications that will contribute to this project or provide an advantage to the State?
  3. Does the Offeror's Proposal include a Hard Disk Retention Option, RFP Section 2.10.13, as part of the maintenance?
  4. Does the Offeror's Proposal include an enhanced remote diagnostic capability, referenced in RFP Section 2.10.6, Diagnostic Tools and Test Equipment and 2.5.2, General Installation, Hardware Installation, h?
  5. Does the Offeror's Proposal include customer premise training for computer operators and system administrators?
  6. Does the Offeror's Proposal include the documentation required by RFP Section 2.16, Documentation?
  7. Does the Offeror's Proposal clearly identify all software and hardware along with a description of how they function together?
  8. Do the Offeror's Technical Information responses meet the requirements of this RFP?
  9. Has the Offeror responded to all of the items listed in Appendix H, Itemized List for Offerors Point Responses?

- b. Maintenance and Support (25 points)
  - 1. Are the Offeror's hardware maintenance policies and practices suitable and meet the needs of the State?
  - 2. How many service personnel does the Offeror maintain?
  - 3. Is the Offeror authorized to service the equipment proposed?
  - 4. Are the periods of maintenance coverage acceptable?
  - 5. Can Offeror meet the response time requirements?
  - 6. Is the service center capable of providing hardware maintenance described in the RFP?
  - 7. Does the Offeror possess the appropriate experience to perform the hardware maintenance described in the RFP?
  - 8. Does the Offeror maintain an adequate inventory of spare parts?
  - 9. Does maintenance cover all equipment, hardware, and software proposed?
  - 10. Are problem escalation procedures detailed and acceptable?
- c. Equipment (175 points)
  - 1. What is the quality of the products offered?
  - 2. What features differentiate it from others? (user friendly, intuitive design tools, ease of management, functionality, etc.)
  - 3. Does the Offeror describe how the proposed hardware and software are operationally compatible with existing hardware and software?
  - 4. Does the Offeror describe how the proposed Consolidated Storage System hardware and software are easy to manage?
  - 5. Does the Offeror describe how the proposed P590 Replacement hardware and software is consistent with Cloud provisioning and management?
  - 6. Does the Offeror describe how and what services are included in the proposal to migrate existing the storage and servers connected to the storage systems identified in RFP Section 2.19, Current Configuration?
  - 7. Does the Offeror describe how and what services are included in the proposal to migrate existing P590 partitions identified in RFP Section 2.19, Current Configuration, including VIO servers, to the proposed hardware and software?
  - 8. Does the Offeror describe the proposed hardware system as requiring minimal modification to the existing hardware/software systems?
  - 9. Has the equipment been successfully installed and operated in comparable environments? In Honolulu?
  - 10. Is the equipment new and of the quality required?
  - 11. Does the Offeror have a product development strategy that will protect the State's investment?
  - 12. Does the Offeror document its commitment to industry standards?
  - 13. Does the Offeror's proposal involve extensive use of automated tools to reduce the implementation effort by Offeror's staff and State personnel?

6. Cost (60 points)

Proposals shall be evaluated using the Total Evaluation Proposal Cost. Refer to RFP Section 3.3, Proposal Format, under Proposal Section 6, Costs, a, Proposal Cost Worksheet. This cost shall be based on the Annual cost of the Lease.

In converting cost to points, the lowest cost proposal will automatically receive the maximum number of points allocated to cost. The points for cost for other proposals will be determined as follows:

$$\frac{[\text{Lowest Total Evaluation Proposal Cost} \times \text{maximum points}]}{[\text{Offeror's Total Evaluation Proposal Cost}]} = \text{Points}$$

Note that any decimal points for this section will be rounded to two decimal points. The rounding algorithm used will be that of the calculator used by the EC.

4.4.3 **Phase 3 – Recommendation for Award**

Award, if made, will be to the Offeror whose proposal is determined through this evaluation process to be the most advantageous to the State. Notice of this award will be in accordance with RFP Section 1.18, Notice of Award and Execution of Contract.

## **APPENDIX**

- A. Offer Form**
- B. Proposal Cost Worksheet**
- C. Sample Proposal Table of Contents**
- D. Sample Contract Form**
- E. Standard Contract General Conditions**
- F. Proposal Cost Worksheet: Experiences**
- G. Glossary of Terms and Acronyms**
- H. Itemized List for Offeror's Point Response**
- I. Federal Requirements**
- J. P590 Configuration**
- K. Consolidated Storage**
- L. State's Lease Terms and Conditions**

**APPENDIX A: OFFER FORM**

**FOR RFP NO. 13-004**

**STATE OF HAWAI'I  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
INFORMATION AND COMMUNICATION SERVICES DIVISION**

Contract Administrator  
Information and Communications Services Division  
State of Hawai'i  
Honolulu, Hawai'i 96813

Dear Sir:

The undersigned has carefully read and understands the terms and conditions specified in RFP No. 13-004, and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof. The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawai'i Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

The undersigned represents: **(Check  $\checkmark$  one only)**

- A **Hawai'i business** incorporated or organized under the laws of the State of Hawai'i; **OR**  
 A **Compliant Non-Hawai'i business** not incorporated or organized under the laws of the State of Hawai'i, but registered at the State of Hawai'i Department of Commerce and Consumer Affairs Business Registration Division to do business in the State of Hawai'i.

State of incorporation: \_\_\_\_\_

Offeror is:

- Sole Proprietor     Partnership     Corporation     Joint Venture  
7. Other \_\_\_\_\_

Federal I.D. No.: \_\_\_\_\_

Hawai'i General Excise Tax License I.D. No.: \_\_\_\_\_

Payment address (other than street address below): \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Business address (street address): \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Respectfully submitted:

Date: \_\_\_\_\_

(x) \_\_\_\_\_

Telephone No.: \_\_\_\_\_

Authorized (Original) Signature

Fax No.: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Name and Title (Please Type or Print)

\*

**Exact Legal Name of Company (Offeror)**

\*If Offeror is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the awarded contract will be executed:

9/19/00

Offer Form

## **APPENDIX B: Proposal Cost WorkSheet**

**Appendix B contains two Proposal Cost Work Sheets:**

- 1) 5 Year Cost Proposal Work Sheet**
- 2) 7 Year Cost Proposal Work Sheet**

**Proposal Cost Worksheet  
For RFP 13-004  
5 Year Lease**

The Proposal Cost Worksheet consists of three parts. The first part provides the State with an overview of the costs associated with the Offeror's proposal. The second part provides the State with information necessary to evaluate the Offeror's proposal. The third part provides the State with information on the knowledge, skills and abilities of the Offeror staff. All parts provide the State with a consistent format from which to evaluate proposals submitted.

Part 1.

Lease Costs

- First Year's Monthly Lease Cost – Number of Months \_\_\_\_\_
- Monthly Lease Cost \_\_\_\_\_
- Annual Cost of the Lease (Monthly Lease Cost X 12) \_\_\_\_\_
- Monthly Lease Cost Components
  - a. Monthly lease cost component for software \_\_\_\_\_
  - b. Monthly lease cost component for hardware, hardware maintenance and services \_\_\_\_\_

Optional Items

- a. Incremental lease cost of 50TB or next configurable unit available \_\_\_\_\_  
Adjusted cost for evaluation purposes of 50TB refer to RFP Section 2.20.2 \_\_\_\_\_
- b. Lease Cost for Intel (Center, Rack or Shelf) \_\_\_\_\_

Items for Proposal Evaluation

- a. Lease Cost Without Storage for Consolidated Storage System \_\_\_\_\_
- b. Lease Cost of the Initial 100TB of Storage for Consolidated Storage System \_\_\_\_\_  
Adjusted cost for evaluation purposes of 100TB refer to RFP Section 2.20.2 \_\_\_\_\_
- c. Lease Cost of an Additional 50TB of Storage for Consolidated Storage System \_\_\_\_\_
- d. Lease Cost of Intel (Center, Rack or Shelf) \_\_\_\_\_
- e. Total Evaluation Proposal Cost Only \_\_\_\_\_



Part 2. Experiences (Knowledge, Skills and Abilities)

|    | Attestations of Staff Experiences (Knowledge, Skills and Abilities)  | Attachment<br>Yes/No |
|----|--|----------------------|
| 1  | Hardware: For each staff assigned, identify each hardware, the model number, the number of pieces, the number of years (in decimal, e.g. one half year as .5), scope (departmental, island wide, county wide, statewide or national).                        |                      |
| 2  | AIX: For each staff assigned, identify each AIX version/release; the version/release number, number of instances; the number of years (in decimal, e.g., one half year as .5); and scope (departmental, island wide, county wide, statewide or national).    |                      |
| 3  | NIM Server: For each staff assigned, identify for each NIM server, the AIX version/release, the number of servers, and the number of years (in decimal, e.g., one half year as .5).  |                      |
| 4  | VIO Server: For each staff assigned, identify for each VIO Server, the version/release, the number of servers, and the number of years (in decimal, e.g., one half year as .5). Place a "yes" in the box to the right to signify that the table is attached. |                      |
| 5  | SDDPCM: For each staff assigned, identify for each SDDPCM the version/release, the number of LPARS associated, the number of VIO servers associated, and the number of years (in decimal, e.g., one half year as .5)   |                      |
| 6  | HMC: For each staff assigned, identify for each HMC software version/release, the number of servers, the number of LPARS, the dates (from and to) delineating experience(s) and the number of years (in decimal, e.g., one half year as .5).                 |                      |
| 7  | Virtual SCSI environment: For each staff assigned, provide the number of years Offeror has experience with the virtual SCSI environment and the dates (from and to) delineating experience(s).   |                      |
| 8  | Virtual Ethernet environment: For each staff assigned, provide the number of years Offeror has experience with the virtual Ethernet environment and the dates (from and to) delineating experience(s).   |                      |
| 9  | Network Environment: For each staff assigned, provide the number of years Offeror has experience with integrating and networking AIX servers with a Ethernet network with VPN and virtual firewalls and the dates (from and to) delineating experience(s).   |                      |
| 10 | Firmware: For each staff assigned, identify for each machine (manufacturer, model, and type) Offeror has experience, the type of involvement (installation, identifying what is needed), the dates (from and to) delineating experience(s).                  |                      |

**Proposal Cost Worksheet  
For RFP 13-004  
7 Year Lease**

The Proposal Cost Worksheet consists of three parts. The first part provides the State with an overview of the costs associated with the Offeror's proposal. The second part provides the State with information necessary to evaluate the Offeror's proposal. The third part provides the State with information on the knowledge, skills and abilities of the Offeror staff. All parts provide the State with a consistent format from which to evaluate proposals submitted.

Part 1.

Lease Costs

- First Year's Monthly Lease Cost – Number of Months \_\_\_\_\_
- Monthly Lease Cost \_\_\_\_\_
- Annual Cost of the Lease (Monthly Lease Cost X 12) \_\_\_\_\_
- Monthly Lease Cost Components
  - a. Monthly lease cost component for software \_\_\_\_\_
  - b. Monthly lease cost component for hardware, hardware maintenance and services \_\_\_\_\_

Optional Items

- a. Incremental lease cost of 50TB or next configurable unit available \_\_\_\_\_
- Adjusted lease cost for evaluation purposes of 50TB refer to RFP Section 2.20.2 \_\_\_\_\_
- b. Lease Cost for Intel (Center, Rack or Shelf) \_\_\_\_\_

Items for Proposal Evaluation

- a. Lease Cost Without Storage for Consolidated Storage System \_\_\_\_\_
- b. Lease Cost of the Initial 100TB of Storage for Consolidated Storage System \_\_\_\_\_
- Adjusted cost for evaluation purposes of 100TB refer to RFP Section 2.20.2 \_\_\_\_\_
- c. Adjusted Lease Cost of an Additional 50TB of Storage for Consolidated Storage System \_\_\_\_\_
- d. Lease Cost of Intel (Center, Rack or Shelf) \_\_\_\_\_
- e. Total Evaluation Proposal Cost Only \_\_\_\_\_

Total Cost

- a. Hardware
- b. Software License
- c. Annual Hardware Maintenance
- d. Annual Software License or Maintenance
- e. Consumables
- f. Floor Tiles in RFP Section 2.5.2.b
- g. Services for installation and Customization
- h. Hardware installation  
(inclusive of power RFP Section 2.5.2.a)
- i. Software installation and customization
- j. Training
- k. Cabling (all for installation)
- l. Cabling Required in RFP Section 2.22
- m. Assistance Services
- n. As Built drawings and logical diagram
- o. Hardware and software manuals
- p. Drafting the required State documentation
- q. Removal and Disposal of P590 including trade-in as appropriate (RFP Section 2.5.2.q)
- r. Remote Maintenance Connection (RFP Section 2.5.2.h)
- s. Shipping
- t. Tax
- u. Hard Disk Data Destruction (RFP Section 2.5.2.q)
- v. Other cost components (identify)

Part 2. Experiences (Knowledge, Skills and Abilities)

|    | Attestations of Staff Experiences (Knowledge, Skills and Abilities)  | Attachment<br>Yes/No |
|----|--|----------------------|
| 1  | Hardware: For each staff assigned, identify each hardware, the model number, the number of pieces, the number of years (in decimal, e.g. one half year as .5), scope (departmental, island wide, county wide, statewide or national).                        |                      |
| 2  | AIX: For each staff assigned, identify each AIX version/release; the version/release number, number of instances; the number of years (in decimal, e.g., one half year as .5); and scope (departmental, island wide, county wide, statewide or national).    |                      |
| 3  | NIM Server: For each staff assigned, identify for each NIM server, the AIX version/release, the number of servers, and the number of years (in decimal, e.g., one half year as .5).  |                      |
| 4  | VIO Server: For each staff assigned, identify for each VIO Server, the version/release, the number of servers, and the number of years (in decimal, e.g., one half year as .5). Place a "yes" in the box to the right to signify that the table is attached. |                      |
| 5  | SDDPCM: For each staff assigned, identify for each SDDPCM the version/release, the number of LPARS associated, the number of VIO servers associated, and the number of years (in decimal, e.g., one half year as .5)   |                      |
| 6  | HMC: For each staff assigned, identify for each HMC software version/release, the number of servers, the number of LPARS, the dates (from and to) delineating experience(s) and the number of years (in decimal, e.g., one half year as .5).                 |                      |
| 7  | Virtual SCSI environment: For each staff assigned, provide the number of years Offeror has experience with the virtual SCSI environment and the dates (from and to) delineating experience(s).   |                      |
| 8  | Virtual Ethernet environment: For each staff assigned, provide the number of years Offeror has experience with the virtual Ethernet environment and the dates (from and to) delineating experience(s).   |                      |
| 9  | Network Environment: For each staff assigned, provide the number of years Offeror has experience with integrating and networking AIX servers with a Ethernet network with VPN and virtual firewalls and the dates (from and to) delineating experience(s).   |                      |
| 10 | Firmware: For each staff assigned, identify for each machine (manufacturer, model, and type) Offeror has experience, the type of involvement (installation, identifying what is needed), the dates (from and to) delineating experience(s).                  |                      |

## **APPENDIX C: Sample Proposal Table of Contents**

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  - a. Necessary Skills and Experience
  - b. References
  - c. Support Hours
4. Project Organization and Staffing
  - a. Staffing
  - b. Subcontractor
  - c. Project Organization
5. Technical Solution
  - a. Understanding of Requirements
  - b. Maintenance and Support to be Provided
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  - d. Assumptions
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  - f. Diagrams
  - g. Project Plans and Schedule
  - h. Point Response
6. Cost
  - a. Proposal Cost Worksheet
  - b. Supporting Documentation or Information
7. Lease Proposal
8. Technical Information
9. Litigation
10. Exceptions
11. Confidential Information
12. Attachments
  - Attachment A – Technical Information Required
  - Attachment B – Offeror Attachments

**APPENDIX D: Sample Contract Form**



**STATE OF HAWAII**  
**CONTRACT FOR GOODS OR SERVICES**  
**BASED UPON**  
**COMPETITIVE SEALED PROPOSALS**

This Contract, executed on the respective dates indicated below, is effective as of \_\_\_\_\_, \_\_\_\_\_, between \_\_\_\_\_, \_\_\_\_\_,  
(Insert name of state department, agency, board or commission)  
 State of Hawaii ("STATE"), by its \_\_\_\_\_,  
(Insert title of person signing for State)  
 (hereafter also referred to as the HEAD OF THE PURCHASING AGENCY or designee ("HOPA")), whose address is \_\_\_\_\_ and \_\_\_\_\_  
 ("CONTRACTOR"), a \_\_\_\_\_,  
(Insert corporation, partnership, joint venture, sole proprietorship, or other legal form of the Contractor)  
 under the laws of the State of \_\_\_\_\_, whose business address and federal and state taxpayer identification numbers are as follows: \_\_\_\_\_

**RECITALS**

A. The STATE desires to retain and engage the CONTRACTOR to provide the goods or services, or both, described in this Contract and its attachments, and the CONTRACTOR is agreeable to providing said goods or services or both.

B. The STATE has issued a request for competitive sealed proposals, and has received and reviewed proposals submitted in response to the request.

C. The solicitation for proposals and the selection of the CONTRACTOR were made in accordance with section 103D-303, Hawaii Revised Statutes ("HRS"), Hawaii Administrative Rules, Title 3, Department of Accounting and General Services, Subtitle 11 ("HAR"), Chapter 122, Subchapter 6, and applicable procedures established by the appropriate Chief Procurement Officer ("CPO").

D. The CONTRACTOR has been identified as the responsible and responsive offeror whose proposal is the most advantageous for the STATE, taking into consideration price and the evaluation factors set forth in the request.

E. Pursuant to \_\_\_\_\_, \_\_\_\_\_, the STATE  
(Legal authority to enter into this Contract)  
 is authorized to enter into this Contract.

F. Money is available to fund this Contract pursuant to:  
 (1) \_\_\_\_\_  
(Identify state sources)  
 or (2) \_\_\_\_\_  
(Identify federal sources)  
 or both, in the following amounts: State \$ \_\_\_\_\_  
 Federal \$ \_\_\_\_\_

NOW, THEREFORE, in consideration of the promises contained in this Contract, the STATE and the CONTRACTOR agree as follows:

1. Scope of Services. The CONTRACTOR shall, in a proper and satisfactory manner as determined by the STATE, provide all the goods or services, or both, set forth in the request for competitive sealed proposals number \_\_\_\_\_ ("RFP") and the CONTRACTOR'S accepted proposal ("Proposal"), both of which, even if not physically attached to this Contract, are made a part of this Contract.

2. Compensation. The CONTRACTOR shall be compensated for goods supplied

or services performed, or both, under this Contract in a total amount not to exceed \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_), including approved costs incurred and taxes, at the time and in the manner set forth in the RFP and CONTRACTOR'S Proposal.

3. Time of Performance. The services or goods required of the CONTRACTOR under this Contract shall be performed and completed in accordance with the Time of Performance set forth in Attachment-S3, which is made a part of this Contract.

4. Bonds. The CONTRACTOR  is required to provide or  is not required to provide:  a performance bond,  a payment bond,  a performance and payment bond in the amount of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_).

5. Standards of Conduct Declaration. The Standards of Conduct Declaration of the CONTRACTOR is attached to and made a part of this Contract.

6. Other Terms and Conditions. The General Conditions and any Special Conditions are attached to and made a part of this Contract. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control. In the event of a conflict among the documents, the order of precedence shall be as follows: (1) this Contract, including all attachments and addenda; (2) the RFP, including all attachments and addenda; and (3) the Proposal.

7. Liquidated Damages. Liquidated damages shall be assessed in the amount of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_) per day, in accordance with the terms of paragraph 9 of the General Conditions.

8. Notices. Any written notice required to be given by a party to this Contract shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid. Notice to the STATE shall be sent to the HOPA'S address indicated in the Contract. Notice to the CONTRACTOR shall be sent to the CONTRACTOR'S address indicated in the Contract. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The CONTRACTOR is responsible for notifying the STATE in writing of any change of address.

IN VIEW OF THE ABOVE, the parties execute this Contract by their signatures, on the dates below, to be effective as of the date first above written.

**STATE**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Print Title)

\_\_\_\_\_  
(Date)

**CONTRACTOR**

**CORPORATE SEAL**  
(If available)

\_\_\_\_\_  
(Name of Contractor)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Print Title)

\_\_\_\_\_  
(Date)

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Deputy Attorney General

\* Evidence of authority of the CONTRACTOR'S representative to sign this Contract for the CONTRACTOR must be attached.



STATE OF HAWAII

CONTRACTOR'S ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ )  
 ) SS.  
\_\_\_\_\_ COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ before me appeared  
\_\_\_\_\_ and \_\_\_\_\_, to me  
known, to be the person(s) described in and, who, being by me duly sworn, did say that he/she/they is/are  
\_\_\_\_\_ and \_\_\_\_\_ of  
\_\_\_\_\_, the  
CONTRACTOR named in the foregoing instrument, and that he/she/they is/are authorized to sign said  
instrument on behalf of the CONTRACTOR, and acknowledges that he/she/they executed said  
instrument as the free act and deed of the CONTRACTOR.

(Notary Stamp or Seal)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

Notary Public, State of \_\_\_\_\_  
My commission expires: \_\_\_\_\_

Doc. Date: \_\_\_\_\_ # Pages: \_\_\_\_\_

Notary Name: \_\_\_\_\_ Circuit \_\_\_\_\_

Doc. Description: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

(Notary Stamp or Seal)

\_\_\_\_\_  
Notary Signature Date

NOTARY CERTIFICATION



**STATE OF HAWAII**  
**CONTRACTOR'S**  
**STANDARDS OF CONDUCT DECLARATION**

For the purposes of this declaration:

"Agency" means and includes the State, the legislature and its committees, all executive departments, boards, commissions, committees, bureaus, offices; and all independent commissions and other establishments of the state government but excluding the courts.

"Controlling interest" means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

"Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges. (Section 84-3, HRS).

On behalf of \_\_\_\_\_, CONTRACTOR, the undersigned does declare as follows:

1. CONTRACTOR  is\*  is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest. (Section 84-15(a), HRS).
2. CONTRACTOR has not been represented or assisted personally in the matter by an individual who has been an employee of the agency awarding this Contract within the preceding two years and who participated while so employed in the matter with which the Contract is directly concerned. (Section 84-15(b), HRS).
3. CONTRACTOR has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Contract and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of this Contract, if the legislator or employee had been involved in the development or award of the Contract. (Section 84-14 (d), HRS).
4. CONTRACTOR has not been represented on matters related to this Contract, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an agency employee, or in the case of the Legislature, a legislator, and participated while an employee or legislator on matters related to this Contract. (Sections 84-18(b) and (c), HRS).

CONTRACTOR understands that the Contract to which this document is attached is voidable on behalf of the STATE if this Contract was entered into in violation of any provision of chapter 84, Hawaii Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source of the declarations above. Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

\* Reminder to Agency: If the "is" block is checked and if the Contract involves goods or services of a value in excess of \$10,000, the Contract must be awarded by competitive sealed bidding under section 103D-302, HRS, or a competitive sealed proposal under section 103D-303, HRS. Otherwise, the Agency may not award the Contract unless it posts a notice of its intent to award it and files a copy of the notice with the State Ethics Commission. (Section 84-15(a), HRS).

**CONTRACTOR**

By \_\_\_\_\_  
(Signature)

Print Name \_\_\_\_\_

Print Title \_\_\_\_\_

Name of Contractor \_\_\_\_\_

Date \_\_\_\_\_



**STATE OF HAWAII**  
**TIME OF PERFORMANCE**



STATE OF HAWAII  
**CERTIFICATE OF EXEMPTION  
FROM CIVIL SERVICE**

**1. By Heads of Departments Delegated by the Director of the Department of Human Resources Development (“DHRD”).\***

Pursuant to a delegation of the authority by the Director of DHRD, I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, Hawaii Revised Statutes (HRS).

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Print Title)

\* This part of the form may be used by all department heads and the heads of attached agencies to whom the Director of DHRD expressly has delegated authority to certify § 76-16, HRS, civil service exemptions. The specific paragraph(s) of § 76-16, HRS, upon which an exemption is based should be noted in the contract file. If an exemption is based on § 76-16(b)(15), the contract must meet the following conditions:

- (1) It involves the delivery of completed work or product by or during a specific time;
- (2) There is no employee-employer relationship; and
- (3) The authorized funding for the service is from other than the "A" or personal services cost element.

**NOTE:** Not all attached agencies have received a delegation under § 76-16(b)(15). If in doubt, attached agencies should check with the Director of DHRD prior to certifying an exemption under § 76-16(b)(15). Authority to certify exemptions under §§76-16(b)(2), and 76-16(b)(12), HRS, has not been delegated; only the Director of DHRD may certify §§ 76-16(b)(2), and 76-16(b)(12) exemptions.

**2. By the Director of DHRD, State of Hawaii.**

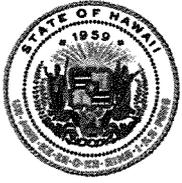
I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to §76-16, HRS.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Print Title, if designee of the Director of DHRD)



**STATE OF HAWAII**  
**SPECIAL CONDITIONS**

**APPENDIX E: Standard Contract General Conditions**

GENERAL CONDITIONS

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## GENERAL CONDITIONS

1. Coordination of Services by the STATE. The head of the purchasing agency ("HOPA") (which term includes the designee of the HOPA) shall coordinate the services to be provided by the CONTRACTOR in order to complete the performance required in the Contract. The CONTRACTOR shall maintain communications with HOPA at all stages of the CONTRACTOR'S work, and submit to HOPA for resolution any questions which may arise as to the performance of this Contract. "Purchasing agency" as used in these General Conditions means and includes any governmental body which is authorized under chapter 103D, HRS, or its implementing rules and procedures, or by way of delegation, to enter into contracts for the procurement of goods or services or both.
2. Relationship of Parties: Independent Contractor Status and Responsibilities, Including Tax Responsibilities.
  - a. In the performance of services required under this Contract, the CONTRACTOR is an "independent contractor," with the authority and responsibility to control and direct the performance and details of the work and services required under this Contract; however, the STATE shall have a general right to inspect work in progress to determine whether, in the STATE'S opinion, the services are being performed by the CONTRACTOR in compliance with this Contract. Unless otherwise provided by special condition, it is understood that the STATE does not agree to use the CONTRACTOR exclusively, and that the CONTRACTOR is free to contract to provide services to other individuals or entities while under contract with the STATE.
  - b. The CONTRACTOR and the CONTRACTOR'S employees and agents are not by reason of this Contract, agents or employees of the State for any purpose, and the CONTRACTOR and the CONTRACTOR'S employees and agents shall not be entitled to claim or receive from the State any vacation, sick leave, retirement, workers' compensation, unemployment insurance, or other benefits provided to state employees.
  - c. The CONTRACTOR shall be responsible for the accuracy, completeness, and adequacy of the CONTRACTOR'S performance under this Contract. Furthermore, the CONTRACTOR intentionally, voluntarily, and knowingly assumes the sole and entire liability to the CONTRACTOR'S employees and agents, and to any individual not a party to this Contract, for all loss, damage, or injury caused by the CONTRACTOR, or the CONTRACTOR'S employees or agents in the course of their employment.
  - d. The CONTRACTOR shall be responsible for payment of all applicable federal, state, and county taxes and fees which may become due and owing by the CONTRACTOR by reason of this Contract, including but not limited to (i) income taxes, (ii) employment related fees, assessments, and taxes, and (iii) general excise taxes. The CONTRACTOR also is responsible for obtaining all licenses, permits, and certificates that may be required in order to perform this Contract.
  - e. The CONTRACTOR shall obtain a general excise tax license from the Department of Taxation, State of Hawaii, in accordance with section 237-9, HRS, and shall comply with all requirements thereof. The CONTRACTOR shall obtain a tax clearance certificate from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of the Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the CONTRACTOR have been paid and submit the same to the STATE prior to commencing any performance under this Contract. The CONTRACTOR shall also be solely responsible for meeting all requirements necessary to obtain the tax clearance certificate required for final payment under sections 103-53 and 103D-328, HRS, and paragraph 17 of these General Conditions.
  - f. The CONTRACTOR is responsible for securing all employee-related insurance coverage for the CONTRACTOR and the CONTRACTOR'S employees and agents that is or may be required by law, and for payment of all premiums, costs, and other liabilities associated with securing the insurance coverage.

- g. The CONTRACTOR shall obtain a certificate of compliance issued by the Department of Labor and Industrial Relations, State of Hawaii, in accordance with section 103D-310, HRS, and section 3-122-112, HAR, that is current within six months of the date of issuance.
- h. The CONTRACTOR shall obtain a certificate of good standing issued by the Department of Commerce and Consumer Affairs, State of Hawaii, in accordance with section 103D-310, HRS, and section 3-122-112, HAR, that is current within six months of the date of issuance.
- i. In lieu of the above certificates from the Department of Taxation, Labor and Industrial Relations, and Commerce and Consumer Affairs, the CONTRACTOR may submit proof of compliance through the State Procurement Office's designated certification process.

3. Personnel Requirements.

- a. The CONTRACTOR shall secure, at the CONTRACTOR'S own expense, all personnel required to perform this Contract.
- b. The CONTRACTOR shall ensure that the CONTRACTOR'S employees or agents are experienced and fully qualified to engage in the activities and perform the services required under this Contract, and that all applicable licensing and operating requirements imposed or required under federal, state, or county law, and all applicable accreditation and other standards of quality generally accepted in the field of the activities of such employees and agents are complied with and satisfied.

4. Nondiscrimination. No person performing work under this Contract, including any subcontractor, employee, or agent of the CONTRACTOR, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

5. Conflicts of Interest. The CONTRACTOR represents that neither the CONTRACTOR, nor any employee or agent of the CONTRACTOR, presently has any interest, and promises that no such interest, direct or indirect, shall be acquired, that would or might conflict in any manner or degree with the CONTRACTOR'S performance under this Contract.

6. Subcontracts and Assignments. The CONTRACTOR shall not assign or subcontract any of the CONTRACTOR'S duties, obligations, or interests under this Contract and no such assignment or subcontract shall be effective unless (i) the CONTRACTOR obtains the prior written consent of the STATE, and (ii) the CONTRACTOR'S assignee or subcontractor submits to the STATE a tax clearance certificate from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the CONTRACTOR'S assignee or subcontractor have been paid. Additionally, no assignment by the CONTRACTOR of the CONTRACTOR'S right to compensation under this Contract shall be effective unless and until the assignment is approved by the Comptroller of the State of Hawaii, as provided in section 40-58, HRS.

a. Recognition of a successor in interest. When in the best interest of the State, a successor in interest may be recognized in an assignment contract in which the STATE, the CONTRACTOR and the assignee or transferee (hereinafter referred to as the "Assignee") agree that:

- (1) The Assignee assumes all of the CONTRACTOR'S obligations;
- (2) The CONTRACTOR remains liable for all obligations under this Contract but waives all rights under this Contract as against the STATE; and
- (3) The CONTRACTOR shall continue to furnish, and the Assignee shall also furnish, all required bonds.

b. Change of name. When the CONTRACTOR asks to change the name in which it holds this Contract with the STATE, the procurement officer of the purchasing agency (hereinafter referred to as the "Agency procurement officer") shall, upon receipt of a document acceptable or satisfactory to the

Agency procurement officer indicating such change of name (for example, an amendment to the CONTRACTOR'S articles of incorporation), enter into an amendment to this Contract with the CONTRACTOR to effect such a change of name. The amendment to this Contract changing the CONTRACTOR'S name shall specifically indicate that no other terms and conditions of this Contract are thereby changed.

- c. Reports. All assignment contracts and amendments to this Contract effecting changes of the CONTRACTOR'S name or novations hereunder shall be reported to the chief procurement officer (CPO) as defined in section 103D-203(a), HRS, within thirty days of the date that the assignment contract or amendment becomes effective.
  - d. Actions affecting more than one purchasing agency. Notwithstanding the provisions of subparagraphs 6a through 6c herein, when the CONTRACTOR holds contracts with more than one purchasing agency of the State, the assignment contracts and the novation and change of name amendments herein authorized shall be processed only through the CPO's office.
7. Indemnification and Defense. The CONTRACTOR shall defend, indemnify, and hold harmless the State of Hawaii, the contracting agency, and their officers, employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorneys' fees, and all claims, suits, and demands therefore, arising out of or resulting from the acts or omissions of the CONTRACTOR or the CONTRACTOR'S employees, officers, agents, or subcontractors under this Contract. The provisions of this paragraph shall remain in full force and effect notwithstanding the expiration or early termination of this Contract.
  8. Cost of Litigation. In case the STATE shall, without any fault on its part, be made a party to any litigation commenced by or against the CONTRACTOR in connection with this Contract, the CONTRACTOR shall pay all costs and expenses incurred by or imposed on the STATE, including attorneys' fees.
  9. Liquidated Damages. When the CONTRACTOR is given notice of delay or nonperformance as specified in paragraph 13 (Termination for Default) and fails to cure in the time specified, it is agreed the CONTRACTOR shall pay to the STATE the amount, if any, set forth in this Contract per calendar day from the date set for cure until either (i) the STATE reasonably obtains similar goods or services, or both, if the CONTRACTOR is terminated for default, or (ii) until the CONTRACTOR provides the goods or services, or both, if the CONTRACTOR is not terminated for default. To the extent that the CONTRACTOR'S delay or nonperformance is excused under paragraph 13d (Excuse for Nonperformance or Delay Performance), liquidated damages shall not be assessable against the CONTRACTOR. The CONTRACTOR remains liable for damages caused other than by delay.
  10. STATE'S Right of Offset. The STATE may offset against any monies or other obligations the STATE owes to the CONTRACTOR under this Contract, any amounts owed to the State of Hawaii by the CONTRACTOR under this Contract or any other contracts, or pursuant to any law or other obligation owed to the State of Hawaii by the CONTRACTOR, including, without limitation, the payment of any taxes or levies of any kind or nature. The STATE will notify the CONTRACTOR in writing of any offset and the nature of such offset. For purposes of this paragraph, amounts owed to the State of Hawaii shall not include debts or obligations which have been liquidated, agreed to by the CONTRACTOR, and are covered by an installment payment or other settlement plan approved by the State of Hawaii, provided, however, that the CONTRACTOR shall be entitled to such exclusion only to the extent that the CONTRACTOR is current with, and not delinquent on, any payments or obligations owed to the State of Hawaii under such payment or other settlement plan.
  11. Disputes. Disputes shall be resolved in accordance with section 103D-703, HRS, and chapter 3-126, Hawaii Administrative Rules ("HAR"), as the same may be amended from time to time.
  12. Suspension of Contract. The STATE reserves the right at any time and for any reason to suspend this Contract for any reasonable period, upon written notice to the CONTRACTOR in accordance with the provisions herein.
    - a. Order to stop performance. The Agency procurement officer may, by written order to the CONTRACTOR, at any time, and without notice to any surety, require the CONTRACTOR to stop all or any part of the performance called for by this Contract. This order shall be for a specified

period not exceeding sixty (60) days after the order is delivered to the CONTRACTOR, unless the parties agree to any further period. Any such order shall be identified specifically as a stop performance order issued pursuant to this section. Stop performance orders shall include, as appropriate: (1) A clear description of the work to be suspended; (2) Instructions as to the issuance of further orders by the CONTRACTOR for material or services; (3) Guidance as to action to be taken on subcontracts; and (4) Other instructions and suggestions to the CONTRACTOR for minimizing costs. Upon receipt of such an order, the CONTRACTOR shall forthwith comply with its terms and suspend all performance under this Contract at the time stated, provided, however, the CONTRACTOR shall take all reasonable steps to minimize the occurrence of costs allocable to the performance covered by the order during the period of performance stoppage. Before the stop performance order expires, or within any further period to which the parties shall have agreed, the Agency procurement officer shall either:

- (1) Cancel the stop performance order; or
- (2) Terminate the performance covered by such order as provided in the termination for default provision or the termination for convenience provision of this Contract.

b. Cancellation or expiration of the order. If a stop performance order issued under this section is cancelled at any time during the period specified in the order, or if the period of the order or any extension thereof expires, the CONTRACTOR shall have the right to resume performance. An appropriate adjustment shall be made in the delivery schedule or contract price, or both, and the Contract shall be modified in writing accordingly, if:

- (1) The stop performance order results in an increase in the time required for, or in the CONTRACTOR'S cost properly allocable to, the performance of any part of this Contract; and
- (2) The CONTRACTOR asserts a claim for such an adjustment within thirty (30) days after the end of the period of performance stoppage; provided that, if the Agency procurement officer decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this Contract.

c. Termination of stopped performance. If a stop performance order is not cancelled and the performance covered by such order is terminated for default or convenience, the reasonable costs resulting from the stop performance order shall be allowable by adjustment or otherwise.

d. Adjustment of price. Any adjustment in contract price made pursuant to this paragraph shall be determined in accordance with the price adjustment provision of this Contract.

13. Termination for Default.

a. Default. If the CONTRACTOR refuses or fails to perform any of the provisions of this Contract with such diligence as will ensure its completion within the time specified in this Contract, or any extension thereof, otherwise fails to timely satisfy the Contract provisions, or commits any other substantial breach of this Contract, the Agency procurement officer may notify the CONTRACTOR in writing of the delay or non-performance and if not cured in ten (10) days or any longer time specified in writing by the Agency procurement officer, such officer may terminate the CONTRACTOR'S right to proceed with the Contract or such part of the Contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part, the Agency procurement officer may procure similar goods or services in a manner and upon the terms deemed appropriate by the Agency procurement officer. The CONTRACTOR shall continue performance of the Contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods or services.

b. CONTRACTOR'S duties. Notwithstanding termination of the Contract and subject to any directions from the Agency procurement officer, the CONTRACTOR shall take timely, reasonable, and

necessary action to protect and preserve property in the possession of the CONTRACTOR in which the STATE has an interest.

- c. Compensation. Payment for completed goods and services delivered and accepted by the STATE shall be at the price set forth in the Contract. Payment for the protection and preservation of property shall be in an amount agreed upon by the CONTRACTOR and the Agency procurement officer. If the parties fail to agree, the Agency procurement officer shall set an amount subject to the CONTRACTOR'S rights under chapter 3-126, HAR. The STATE may withhold from amounts due the CONTRACTOR such sums as the Agency procurement officer deems to be necessary to protect the STATE against loss because of outstanding liens or claims and to reimburse the STATE for the excess costs expected to be incurred by the STATE in procuring similar goods and services.
- d. Excuse for nonperformance or delayed performance. The CONTRACTOR shall not be in default by reason of any failure in performance of this Contract in accordance with its terms, including any failure by the CONTRACTOR to make progress in the prosecution of the performance hereunder which endangers such performance, if the CONTRACTOR has notified the Agency procurement officer within fifteen (15) days after the cause of the delay and the failure arises out of causes such as: acts of God; acts of a public enemy; acts of the State and any other governmental body in its sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. If the failure to perform is caused by the failure of a subcontractor to perform or to make progress, and if such failure arises out of causes similar to those set forth above, the CONTRACTOR shall not be deemed to be in default, unless the goods and services to be furnished by the subcontractor were reasonably obtainable from other sources in sufficient time to permit the CONTRACTOR to meet the requirements of the Contract. Upon request of the CONTRACTOR, the Agency procurement officer shall ascertain the facts and extent of such failure, and, if such officer determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the CONTRACTOR'S progress and performance would have met the terms of the Contract, the delivery schedule shall be revised accordingly, subject to the rights of the STATE under this Contract. As used in this paragraph, the term "subcontractor" means subcontractor at any tier.
- e. Erroneous termination for default. If, after notice of termination of the CONTRACTOR'S right to proceed under this paragraph, it is determined for any reason that the CONTRACTOR was not in default under this paragraph, or that the delay was excusable under the provisions of subparagraph 13d, "Excuse for nonperformance or delayed performance," the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to paragraph 14.
- f. Additional rights and remedies. The rights and remedies provided in this paragraph are in addition to any other rights and remedies provided by law or under this Contract.

14. Termination for Convenience.

- a. Termination. The Agency procurement officer may, when the interests of the STATE so require, terminate this Contract in whole or in part, for the convenience of the STATE. The Agency procurement officer shall give written notice of the termination to the CONTRACTOR specifying the part of the Contract terminated and when termination becomes effective.
- b. CONTRACTOR'S obligations. The CONTRACTOR shall incur no further obligations in connection with the terminated performance and on the date(s) set in the notice of termination the CONTRACTOR will stop performance to the extent specified. The CONTRACTOR shall also terminate outstanding orders and subcontracts as they relate to the terminated performance. The CONTRACTOR shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated performance subject to the STATE'S approval. The Agency procurement officer may direct the CONTRACTOR to assign the CONTRACTOR'S right, title, and interest under terminated orders or subcontracts to the STATE. The CONTRACTOR must still complete the performance not terminated by the notice of termination and may incur obligations as necessary to do so.

c. Right to goods and work product. The Agency procurement officer may require the CONTRACTOR to transfer title and deliver to the STATE in the manner and to the extent directed by the Agency procurement officer:

- (1) Any completed goods or work product; and
- (2) The partially completed goods and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing material") as the CONTRACTOR has specifically produced or specially acquired for the performance of the terminated part of this Contract.

The CONTRACTOR shall, upon direction of the Agency procurement officer, protect and preserve property in the possession of the CONTRACTOR in which the STATE has an interest. If the Agency procurement officer does not exercise this right, the CONTRACTOR shall use best efforts to sell such goods and manufacturing materials. Use of this paragraph in no way implies that the STATE has breached the Contract by exercise of the termination for convenience provision.

d. Compensation.

- (1) The CONTRACTOR shall submit a termination claim specifying the amounts due because of the termination for convenience together with the cost or pricing data, submitted to the extent required by chapter 3-122, HAR, bearing on such claim. If the CONTRACTOR fails to file a termination claim within one year from the effective date of termination, the Agency procurement officer may pay the CONTRACTOR, if at all, an amount set in accordance with subparagraph 14d(3) below.
- (2) The Agency procurement officer and the CONTRACTOR may agree to a settlement provided the CONTRACTOR has filed a termination claim supported by cost or pricing data submitted as required and that the settlement does not exceed the total Contract price plus settlement costs reduced by payments previously made by the STATE, the proceeds of any sales of goods and manufacturing materials under subparagraph 14c, and the Contract price of the performance not terminated.
- (3) Absent complete agreement under subparagraph 14d(2) the Agency procurement officer shall pay the CONTRACTOR the following amounts, provided payments agreed to under subparagraph 14d(2) shall not duplicate payments under this subparagraph for the following:
  - (A) Contract prices for goods or services accepted under the Contract;
  - (B) Costs incurred in preparing to perform and performing the terminated portion of the performance plus a fair and reasonable profit on such portion of the performance, such profit shall not include anticipatory profit or consequential damages, less amounts paid or to be paid for accepted goods or services; provided, however, that if it appears that the CONTRACTOR would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss;
  - (C) Costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to subparagraph 14b. These costs must not include costs paid in accordance with subparagraph 14d(3)(B);
  - (D) The reasonable settlement costs of the CONTRACTOR, including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the Contract and for the termination of subcontracts thereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to the terminated portion of this Contract. The total sum to be paid the CONTRACTOR under this subparagraph shall not exceed the

total Contract price plus the reasonable settlement costs of the CONTRACTOR reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under subparagraph 14d(2), and the contract price of performance not terminated.

- (4) Costs claimed, agreed to, or established under subparagraphs 14d(2) and 14d(3) shall be in accordance with Chapter 3-123 (Cost Principles) of the Procurement Rules.

15. Claims Based on the Agency Procurement Officer's Actions or Omissions.

- a. Changes in scope. If any action or omission on the part of the Agency procurement officer (which term includes the designee of such officer for purposes of this paragraph 15) requiring performance changes within the scope of the Contract constitutes the basis for a claim by the CONTRACTOR for additional compensation, damages, or an extension of time for completion, the CONTRACTOR shall continue with performance of the Contract in compliance with the directions or orders of such officials, but by so doing, the CONTRACTOR shall not be deemed to have prejudiced any claim for additional compensation, damages, or an extension of time for completion; provided:

- (1) Written notice required. The CONTRACTOR shall give written notice to the Agency procurement officer:

(A) Prior to the commencement of the performance involved, if at that time the CONTRACTOR knows of the occurrence of such action or omission;

(B) Within thirty (30) days after the CONTRACTOR knows of the occurrence of such action or omission, if the CONTRACTOR did not have such knowledge prior to the commencement of the performance; or

(C) Within such further time as may be allowed by the Agency procurement officer in writing.

- (2) Notice content. This notice shall state that the CONTRACTOR regards the act or omission as a reason which may entitle the CONTRACTOR to additional compensation, damages, or an extension of time. The Agency procurement officer, upon receipt of such notice, may rescind such action, remedy such omission, or take such other steps as may be deemed advisable in the discretion of the Agency procurement officer;

- (3) Basis must be explained. The notice required by subparagraph 15a(1) describes as clearly as practicable at the time the reasons why the CONTRACTOR believes that additional compensation, damages, or an extension of time may be remedies to which the CONTRACTOR is entitled; and

- (4) Claim must be justified. The CONTRACTOR must maintain and, upon request, make available to the Agency procurement officer within a reasonable time, detailed records to the extent practicable, and other documentation and evidence satisfactory to the STATE, justifying the claimed additional costs or an extension of time in connection with such changes.

- b. CONTRACTOR not excused. Nothing herein contained, however, shall excuse the CONTRACTOR from compliance with any rules or laws precluding any state officers and CONTRACTOR from acting in collusion or bad faith in issuing or performing change orders which are clearly not within the scope of the Contract.

- c. Price adjustment. Any adjustment in the price made pursuant to this paragraph shall be determined in accordance with the price adjustment provision of this Contract.

16. Costs and Expenses. Any reimbursement due the CONTRACTOR for per diem and transportation expenses under this Contract shall be subject to chapter 3-123 (Cost Principles), HAR, and the following guidelines:

- a. Reimbursement for air transportation shall be for actual cost or coach class air fare, whichever is less.
- b. Reimbursement for ground transportation costs shall not exceed the actual cost of renting an intermediate-sized vehicle.
- c. Unless prior written approval of the HOPA is obtained, reimbursement for subsistence allowance (i.e., hotel and meals, etc.) shall not exceed the applicable daily authorized rates for inter-island or out-of-state travel that are set forth in the current Governor's Executive Order authorizing adjustments in salaries and benefits for state officers and employees in the executive branch who are excluded from collective bargaining coverage.

17. Payment Procedures; Final Payment; Tax Clearance.

- a. Original invoices required. All payments under this Contract shall be made only upon submission by the CONTRACTOR of original invoices specifying the amount due and certifying that services requested under the Contract have been performed by the CONTRACTOR according to the Contract.
- b. Subject to available funds. Such payments are subject to availability of funds and allotment by the Director of Finance in accordance with chapter 37, HRS. Further, all payments shall be made in accordance with and subject to chapter 40, HRS.
- c. Prompt payment.
  - (1) Any money, other than retainage, paid to the CONTRACTOR shall be disbursed to subcontractors within ten (10) days after receipt of the money in accordance with the terms of the subcontract; provided that the subcontractor has met all the terms and conditions of the subcontract and there are no bona fide disputes; and
  - (2) Upon final payment to the CONTRACTOR, full payment to the subcontractor, including retainage, shall be made within ten (10) days after receipt of the money; provided that there are no bona fide disputes over the subcontractor's performance under the subcontract.
- d. Final payment. Final payment under this Contract shall be subject to sections 103-53 and 103D-328, HRS, which require a tax clearance from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the CONTRACTOR have been paid. Further, in accordance with section 3-122-112, HAR, CONTRACTOR shall provide a certificate affirming that the CONTRACTOR has remained in compliance with all applicable laws as required by this section.

18. Federal Funds. If this Contract is payable in whole or in part from federal funds, CONTRACTOR agrees that, as to the portion of the compensation under this Contract to be payable from federal funds, the CONTRACTOR shall be paid only from such funds received from the federal government, and shall not be paid from any other funds. Failure of the STATE to receive anticipated federal funds shall not be considered a breach by the STATE or an excuse for nonperformance by the CONTRACTOR.

19. Modifications of Contract.

- a. In writing. Any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract permitted by this Contract shall be made by written amendment to this Contract, signed by the CONTRACTOR and the STATE, provided that change orders shall be made in accordance with paragraph 20 herein.
- b. No oral modification. No oral modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract shall be permitted.

- c. Agency procurement officer. By written order, at any time, and without notice to any surety, the Agency procurement officer may unilaterally order of the CONTRACTOR:
    - (A) Changes in the work within the scope of the Contract; and
    - (B) Changes in the time of performance of the Contract that do not alter the scope of the Contract work.
  - d. Adjustments of price or time for performance. If any modification increases or decreases the CONTRACTOR'S cost of, or the time required for, performance of any part of the work under this Contract, an adjustment shall be made and this Contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined, where applicable, in accordance with the price adjustment clause of this Contract or as negotiated.
  - e. Claim barred after final payment. No claim by the CONTRACTOR for an adjustment hereunder shall be allowed if written modification of the Contract is not made prior to final payment under this Contract.
  - f. Claims not barred. In the absence of a written contract modification, nothing in this clause shall be deemed to restrict the CONTRACTOR'S right to pursue a claim under this Contract or for a breach of contract.
  - g. CPO approval. If this is a professional services contract awarded pursuant to section 103D-303 or 103D-304, HRS, any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract which increases the amount payable to the CONTRACTOR by at least \$25,000.00 or ten per cent (10%) of the initial contract price, whichever increase is higher, must receive the prior approval of the CPO.
  - h. Tax clearance. The STATE may, at its discretion, require the CONTRACTOR to submit to the STATE, prior to the STATE'S approval of any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract, a tax clearance from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the CONTRACTOR have been paid.
  - i. Sole source contracts. Amendments to sole source contracts that would change the original scope of the Contract may only be made with the approval of the CPO. Annual renewal of a sole source contract for services should not be submitted as an amendment.
20. Change Order. The Agency procurement officer may, by a written order signed only by the STATE, at any time, and without notice to any surety, and subject to all appropriate adjustments, make changes within the general scope of this Contract in any one or more of the following:
- (1) Drawings, designs, or specifications, if the goods or services to be furnished are to be specially provided to the STATE in accordance therewith;
  - (2) Method of delivery; or
  - (3) Place of delivery.
- a. Adjustments of price or time for performance. If any change order increases or decreases the CONTRACTOR'S cost of, or the time required for, performance of any part of the work under this Contract, whether or not changed by the order, an adjustment shall be made and the Contract modified in writing accordingly. Any adjustment in the Contract price made pursuant to this provision shall be determined in accordance with the price adjustment provision of this Contract. Failure of the parties to agree to an adjustment shall not excuse the CONTRACTOR from proceeding with the Contract as changed, provided that the Agency procurement officer promptly and duly makes the provisional adjustments in payment or time for performance as may be reasonable. By

proceeding with the work, the CONTRACTOR shall not be deemed to have prejudiced any claim for additional compensation, or any extension of time for completion.

- b. Time period for claim. Within ten (10) days after receipt of a written change order under subparagraph 20a, unless the period is extended by the Agency procurement officer in writing, the CONTRACTOR shall respond with a claim for an adjustment. The requirement for a timely written response by CONTRACTOR cannot be waived and shall be a condition precedent to the assertion of a claim.
- c. Claim barred after final payment. No claim by the CONTRACTOR for an adjustment hereunder shall be allowed if a written response is not given prior to final payment under this Contract.
- d. Other claims not barred. In the absence of a change order, nothing in this paragraph 20 shall be deemed to restrict the CONTRACTOR'S right to pursue a claim under the Contract or for breach of contract.

21. Price Adjustment.

- a. Price adjustment. Any adjustment in the contract price pursuant to a provision in this Contract shall be made in one or more of the following ways:
  - (1) By agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;
  - (2) By unit prices specified in the Contract or subsequently agreed upon;
  - (3) By the costs attributable to the event or situation covered by the provision, plus appropriate profit or fee, all as specified in the Contract or subsequently agreed upon;
  - (4) In such other manner as the parties may mutually agree; or
  - (5) In the absence of agreement between the parties, by a unilateral determination by the Agency procurement officer of the costs attributable to the event or situation covered by the provision, plus appropriate profit or fee, all as computed by the Agency procurement officer in accordance with generally accepted accounting principles and applicable sections of chapters 3-123 and 3-126, HAR.
- b. Submission of cost or pricing data. The CONTRACTOR shall provide cost or pricing data for any price adjustments subject to the provisions of chapter 3-122, HAR.

22. Variation in Quantity for Definite Quantity Contracts. Upon the agreement of the STATE and the CONTRACTOR, the quantity of goods or services, or both, if a definite quantity is specified in this Contract, may be increased by a maximum of ten per cent (10%); provided the unit prices will remain the same except for any price adjustments otherwise applicable; and the Agency procurement officer makes a written determination that such an increase will either be more economical than awarding another contract or that it would not be practical to award another contract.

23. Changes in Cost-Reimbursement Contract. If this Contract is a cost-reimbursement contract, the following provisions shall apply:

- a. The Agency procurement officer may at any time by written order, and without notice to the sureties, if any, make changes within the general scope of the Contract in any one or more of the following:
  - (1) Description of performance (Attachment 1);
  - (2) Time of performance (i.e., hours of the day, days of the week, etc.);
  - (3) Place of performance of services;

- (4) Drawings, designs, or specifications when the supplies to be furnished are to be specially manufactured for the STATE in accordance with the drawings, designs, or specifications;
  - (5) Method of shipment or packing of supplies; or
  - (6) Place of delivery.
- b. If any change causes an increase or decrease in the estimated cost of, or the time required for performance of, any part of the performance under this Contract, whether or not changed by the order, or otherwise affects any other terms and conditions of this Contract, the Agency procurement officer shall make an equitable adjustment in the (1) estimated cost, delivery or completion schedule, or both; (2) amount of any fixed fee; and (3) other affected terms and shall modify the Contract accordingly.
  - c. The CONTRACTOR must assert the CONTRACTOR'S rights to an adjustment under this provision within thirty (30) days from the day of receipt of the written order. However, if the Agency procurement officer decides that the facts justify it, the Agency procurement officer may receive and act upon a proposal submitted before final payment under the Contract.
  - d. Failure to agree to any adjustment shall be a dispute under paragraph 11 of this Contract. However, nothing in this provision shall excuse the CONTRACTOR from proceeding with the Contract as changed.
  - e. Notwithstanding the terms and conditions of subparagraphs 23a and 23b, the estimated cost of this Contract and, if this Contract is incrementally funded, the funds allotted for the performance of this Contract, shall not be increased or considered to be increased except by specific written modification of the Contract indicating the new contract estimated cost and, if this contract is incrementally funded, the new amount allotted to the contract.
24. Confidentiality of Material.
- a. All material given to or made available to the CONTRACTOR by virtue of this Contract, which is identified as proprietary or confidential information, will be safeguarded by the CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the STATE.
  - b. All information, data, or other material provided by the CONTRACTOR to the STATE shall be subject to the Uniform Information Practices Act, chapter 92F, HRS.
25. Publicity. The CONTRACTOR shall not refer to the STATE, or any office, agency, or officer thereof, or any state employee, including the HOPA, the CPO, the Agency procurement officer, or to the services or goods, or both, provided under this Contract, in any of the CONTRACTOR'S brochures, advertisements, or other publicity of the CONTRACTOR. All media contacts with the CONTRACTOR about the subject matter of this Contract shall be referred to the Agency procurement officer.
26. Ownership Rights and Copyright. The STATE shall have complete ownership of all material, both finished and unfinished, which is developed, prepared, assembled, or conceived by the CONTRACTOR pursuant to this Contract, and all such material shall be considered "works made for hire." All such material shall be delivered to the STATE upon expiration or termination of this Contract. The STATE, in its sole discretion, shall have the exclusive right to copyright any product, concept, or material developed, prepared, assembled, or conceived by the CONTRACTOR pursuant to this Contract.
27. Liens and Warranties. Goods provided under this Contract shall be provided free of all liens and provided together with all applicable warranties, or with the warranties described in the Contract documents, whichever are greater.

28. Audit of Books and Records of the CONTRACTOR. The STATE may, at reasonable times and places, audit the books and records of the CONTRACTOR, prospective contractor, subcontractor, or prospective subcontractor which are related to:

- a. The cost or pricing data, and
- b. A state contract, including subcontracts, other than a firm fixed-price contract.

29. Cost or Pricing Data. Cost or pricing data must be submitted to the Agency procurement officer and timely certified as accurate for contracts over \$100,000 unless the contract is for a multiple-term or as otherwise specified by the Agency procurement officer. Unless otherwise required by the Agency procurement officer, cost or pricing data submission is not required for contracts awarded pursuant to competitive sealed bid procedures.

If certified cost or pricing data are subsequently found to have been inaccurate, incomplete, or noncurrent as of the date stated in the certificate, the STATE is entitled to an adjustment of the contract price, including profit or fee, to exclude any significant sum by which the price, including profit or fee, was increased because of the defective data. It is presumed that overstated cost or pricing data increased the contract price in the amount of the defect plus related overhead and profit or fee. Therefore, unless there is a clear indication that the defective data was not used or relied upon, the price will be reduced in such amount.

30. Audit of Cost or Pricing Data. When cost or pricing principles are applicable, the STATE may require an audit of cost or pricing data.

31. Records Retention.

- (1) Upon any termination of this Contract or as otherwise required by applicable law, CONTRACTOR shall, pursuant to chapter 487R, HRS, destroy all copies (paper or electronic form) of personal information received from the STATE.
- (2) The CONTRACTOR and any subcontractors shall maintain the files, books, and records that relate to the Contract, including any personal information created or received by the CONTRACTOR on behalf of the STATE, and any cost or pricing data, for at least three (3) years after the date of final payment under the Contract. The personal information shall continue to be confidential and shall only be disclosed as permitted or required by law. After the three (3) year, or longer retention period as required by law has ended, the files, books, and records that contain personal information shall be destroyed pursuant to chapter 487R, HRS or returned to the STATE at the request of the STATE.

32. Antitrust Claims. The STATE and the CONTRACTOR recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the purchaser. Therefore, the CONTRACTOR hereby assigns to STATE any and all claims for overcharges as to goods and materials purchased in connection with this Contract, except as to overcharges which result from violations commencing after the price is established under this Contract and which are not passed on to the STATE under an escalation clause.

33. Patented Articles. The CONTRACTOR shall defend, indemnify, and hold harmless the STATE, and its officers, employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorneys fees, and all claims, suits, and demands arising out of or resulting from any claims, demands, or actions by the patent holder for infringement or other improper or unauthorized use of any patented article, patented process, or patented appliance in connection with this Contract. The CONTRACTOR shall be solely responsible for correcting or curing to the satisfaction of the STATE any such infringement or improper or unauthorized use, including, without limitation: (a) furnishing at no cost to the STATE a substitute article, process, or appliance acceptable to the STATE, (b) paying royalties or other required payments to the patent holder, (c) obtaining proper authorizations or releases from the patent holder, and (d) furnishing such security to or making such arrangements with the patent holder as may be necessary to correct or cure any such infringement or improper or unauthorized use.

34. Governing Law. The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the parties to this Contract, shall be governed by the laws of the State of Hawaii. Any action at law or in equity to enforce or interpret the provisions of this Contract shall be brought in a state court of competent jurisdiction in Honolulu, Hawaii.
35. Compliance with Laws. The CONTRACTOR shall comply with all federal, state, and county laws, ordinances, codes, rules, and regulations, as the same may be amended from time to time, that in any way affect the CONTRACTOR'S performance of this Contract.
36. Conflict Between General Conditions and Procurement Rules. In the event of a conflict between the General Conditions and the procurement rules, the procurement rules in effect on the date this Contract became effective shall control and are hereby incorporated by reference.
37. Entire Contract. This Contract sets forth all of the agreements, conditions, understandings, promises, warranties, and representations between the STATE and the CONTRACTOR relative to this Contract. This Contract supersedes all prior agreements, conditions, understandings, promises, warranties, and representations, which shall have no further force or effect. There are no agreements, conditions, understandings, promises, warranties, or representations, oral or written, express or implied, between the STATE and the CONTRACTOR other than as set forth or as referred to herein.
38. Severability. In the event that any provision of this Contract is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of this Contract.
39. Waiver. The failure of the STATE to insist upon the strict compliance with any term, provision, or condition of this Contract shall not constitute or be deemed to constitute a waiver or relinquishment of the STATE'S right to enforce the same in accordance with this Contract. The fact that the STATE specifically refers to one provision of the procurement rules or one section of the Hawaii Revised Statutes, and does not include other provisions or statutory sections in this Contract shall not constitute a waiver or relinquishment of the STATE'S rights or the CONTRACTOR'S obligations under the procurement rules or statutes.
40. Pollution Control. If during the performance of this Contract, the CONTRACTOR encounters a "release" or a "threatened release" of a reportable quantity of a "hazardous substance," "pollutant," or "contaminant" as those terms are defined in section 128D-1, HRS, the CONTRACTOR shall immediately notify the STATE and all other appropriate state, county, or federal agencies as required by law. The Contractor shall take all necessary actions, including stopping work, to avoid causing, contributing to, or making worse a release of a hazardous substance, pollutant, or contaminant, and shall promptly obey any orders the Environmental Protection Agency or the state Department of Health issues in response to the release. In the event there is an ensuing cease-work period, and the STATE determines that this Contract requires an adjustment of the time for performance, the Contract shall be modified in writing accordingly.
41. Campaign Contributions. The CONTRACTOR is hereby notified of the applicability of 11-205.5, HRS, which states that campaign contributions are prohibited from specified state or county government contractors during the terms of their contracts if the contractors are paid with funds appropriated by a legislative body.
42. Confidentiality of Personal Information.
  - a. Definitions.

"Personal information" means an individual's first name or first initial and last name in combination with any one or more of the following data elements, when either name or data elements are not encrypted:

    - (1) Social security number;
    - (2) Driver's license number or Hawaii identification card number; or

- (3) Account number, credit or debit card number, access code, or password that would permit access to an individual's financial information.

Personal information does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.

"Technological safeguards" means the technology and the policy and procedures for use of the technology to protect and control access to personal information.

b. Confidentiality of Material.

- (1) All material given to or made available to the CONTRACTOR by the STATE by virtue of this Contract which is identified as personal information, shall be safeguarded by the CONTRACTOR and shall not be disclosed without the prior written approval of the STATE.
- (2) CONTRACTOR agrees not to retain, use, or disclose personal information for any purpose other than as permitted or required by this Contract.
- (3) CONTRACTOR agrees to implement appropriate "technological safeguards" that are acceptable to the STATE to reduce the risk of unauthorized access to personal information.
- (4) CONTRACTOR shall report to the STATE in a prompt and complete manner any security breaches involving personal information.
- (5) CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is known to CONTRACTOR because of a use or disclosure of personal information by CONTRACTOR in violation of the requirements of this paragraph.
- (6) CONTRACTOR shall complete and retain a log of all disclosures made of personal information received from the STATE, or personal information created or received by CONTRACTOR on behalf of the STATE.

c. Security Awareness Training and Confidentiality Agreements.

- (1) CONTRACTOR certifies that all of its employees who will have access to the personal information have completed training on security awareness topics relating to protecting personal information.
- (2) CONTRACTOR certifies that confidentiality agreements have been signed by all of its employees who will have access to the personal information acknowledging that:
  - (A) The personal information collected, used, or maintained by the CONTRACTOR will be treated as confidential;
  - (B) Access to the personal information will be allowed only as necessary to perform the Contract; and
  - (C) Use of the personal information will be restricted to uses consistent with the services subject to this Contract.

d. Termination for Cause. In addition to any other remedies provided for by this Contract, if the STATE learns of a material breach by CONTRACTOR of this paragraph by CONTRACTOR, the STATE may at its sole discretion:

- (1) Provide an opportunity for the CONTRACTOR to cure the breach or end the violation; or
- (2) Immediately terminate this Contract.

In either instance, the CONTRACTOR and the STATE shall follow chapter 487N, HRS, with respect to notification of a security breach of personal information.

e. Records Retention.

- (1) Upon any termination of this Contract or as otherwise required by applicable law, CONTRACTOR shall, pursuant to chapter 487R, HRS, destroy all copies (paper or electronic form) of personal information received from the STATE.
- (2) The CONTRACTOR and any subcontractors shall maintain the files, books, and records that relate to the Contract, including any personal information created or received by the CONTRACTOR on behalf of the STATE, and any cost or pricing data, for at least three (3) years after the date of final payment under the Contract. The personal information shall continue to be confidential and shall only be disclosed as permitted or required by law. After the three (3) year, or longer retention period as required by law has ended, the files, books, and records that contain personal information shall be destroyed pursuant to chapter 487R, HRS or returned to the STATE at the request of the STATE.

**APPENDIX F: PROPOSAL COST WORKSHEET: EXPERIENCES**

| <b>Item No.</b> | <b>Experiences (Knowledge, Skills, and Abilities)</b>  | <b>Max Points</b> | <b>Experience for Lead</b> | <b>Total Staff Experience</b> |
|-----------------|--|-------------------|----------------------------|-------------------------------|
| 1               | Hardware: Provide the number and model of equipment Offeror has experience with.   | 2                 |                            |                               |
| 2               | AIX: Provide the number and version/release of software Offeror has experience with.   | 4                 |                            |                               |
| 3               | NIM Server: Provide the number and version/release of software Offeror has experience with.  | 2                 |                            |                               |
| 4               | VIO Server: Provide the number and version/release of software Offeror has experience with.  | 4                 |                            |                               |
| 5               | SDDPCM: Provide the number and version/release of software Offeror has experience with.  | 4                 |                            |                               |
| 6               | HMC: Provide the number and version/release of software Offeror has experience with.   | 2                 |                            |                               |
| 7               | Virtual SCSI environment: Provide the number of years Offeror has experience with the virtual SCSI environment.  | 2                 |                            |                               |
| 8               | Virtual Ethernet environment: Provide the number of years Offeror has experience with the virtual Ethernet environment.  | 2                 |                            |                               |
| 9               | Network Environment: Provide the number of years Offeror has experience with integrating and networking AIX servers in an Ethernet network with VPN and virtual firewalls. | 2                 |                            |                               |
| 10              | Firmware: Provide the number and model of equipment Offeror has experience with.   | 1                 |                            |                               |
|                 |  | 25                |                            |                               |

## **APPENDIX G: GLOSSARY OF TERMS AND ACRONYMS**

### **STANDARD TERMS AND ACRONYMS**

|           |   |
|-----------|---|
| BAFO      | Best and Final Offer  |
| CA        | Contract Administrator  |
| CD        | Compact Disk  |
| CGA       | Contracting Government Agency   |
| CJI       | Criminal Justice Information  |
| CJIS      | Criminal Justice Information System   |
| CSA       | CJIS Systems Agencies   |
| CSO       | CJIS Systems Officer  |
| DatG      | Department of the Attorney General, State of Hawai'i  |
| DAGS      | Department of Accounting and General Services, State of Hawai'i   |
| DHS       | Department of Human Services, State of Hawai'i  |
| Judiciary | Judiciary of the State of Hawai'i   |
| EC        | Evaluation Committee  |
| FAQs      | Frequently Asked Questions  |
| GC        | General Conditions, form AG-008 dated: 4/15/2009  |
| GET       | General Excise Tax  |
| HAR       | Hawai'i Administrative Rules  |
| HCE       | Hawai'i Compliance Express  |
| HRS       | Hawai'i Revised Statutes  |
| HST       | Hawai'i Standard Time   |
| ICSD      | Information and Communication Services Division   |
| IRS       | Internal Revenue Service  |
| IT        | Information Technology  |
| NCJA      | Noncriminal Justice Agency  |
| NGN       | Next Generation Network; State of Hawai'i's high-speed backbone providing connectivity to numerous State of Hawai'i Departments and other government agencies |

|          |   |
|----------|---|
| PO       | Purchase Order  |
| PPMO     | Planning and Project Management Office, ICSD, DAGS      |
| RFP      | Request for Proposals                                   |
| SOH      | State of Hawai'i  |
| SSB      | Systems Services Branch, ICSD, DAGS, SOH                |
| SPO      | State Procurement Office, DAGS, SOH                     |
| State    | All agencies participating in this agreement            |
| STATE PM | The designated IT lead manager or designee of the State |
| USPS     | United States Postal Service                            |

**TERMS AND ACRONYMS SPECIFIC TO THIS RFP**

|        |  |
|--------|--|
| AIX    | Advanced Interactive Executive   |
| CCITT  | Center for the Commercialization of Innovative Transportation Technology |
| DNS    | Domain Name Server   |
| HMC    | Hardware Management Console  |
| HP EVA | Hewlett Packard Enterprise Virtual Array                                 |
| IBM    | International Business Machines  |
| IEEE   | Institute of Electrical and Electronics Engineers                        |
| IFL    | Integrated Facility for Linux  |
| IO     | Input/Output   |
| IP     | Internet Protocol  |
| Linux  | A Unix Operating System Variant  |
| LPAR   | Logical Partition  |
| MPIO   | Multi-Path Input Output  |
| SCSI   | Small Computer System Interface  |
| TSM    | Tivoli Storage Manager published by IBM                                  |
| VIO    | Virtual Input Output Server  |

## **APPENDIX H: ITEMIZED LIST FOR OFERORS POINT RESPONSE**

Offerors are required to provide additional details as specified below.

1 Section 1 (Paragraphs 1.1 through 1.24)

The Offeror shall state its acceptance of the requirements detailed in this RFP section or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

2.2 OBJECTIVES

The Offeror shall state its acceptance of the requirements detailed in this RFP section or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

2.4 WORK PLAN

The Offeror shall state its acceptance of the requirements detailed in this RFP section or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

2.5 GENERAL INSTALLATION

The Offeror shall state its acceptance of the requirements detailed in this RFP section or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

2.5.2 Hardware Installation

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

2.5.3 Software Installation

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

2.5.4 Services

The Offeror shall state its acceptance of the requirements detailed in this RFP section or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

2.5.5 Documentation

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

2.5.6 Maintenance

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

#### 2.5.5 Training

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

#### 2.5.5 Turn Over

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

#### 2.6 WORK PARAMETERS

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

#### 2.7 PROJECT MANAGER

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

#### 2.8 QUALITY OF EQUIPMENT

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section VIII.

#### 2.9 DELIVERY REQUIREMENTS

The Offeror shall state its acceptance of the requirements detailed in this RFP section or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

#### 2.10 MAINTENANCE REQUIREMENTS

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

#### 2.11 STAFFING FOR PROJECT

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

#### 2.12 ACCEPTANCE TEST

The Offeror shall state its acceptance of the requirements detailed in this RFP section or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.13 TRAINING REQUIREMENTS

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.14 SOFTWARE TERMS AND CONDITIONS

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.15 SAFEGUARD DATA

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.16 DOCUMENTATION

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.17 ON-SITE VISIT

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.18 FEDERAL REQUIREMENTS

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.20 CONSOLIDATED STORAGE SYSTEM

The Offeror shall state its acceptance of the requirements detailed in this RFP section or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.20.1 Existing Server Connections

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.20.2 Capacity Requirements

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.20.3 SAN Switch

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.20.4 Management Requirements

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.20.5 Vmware Support

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.20.6 Migration Services

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.21 P590 REPLACEMENT REQUIREMENTS

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.21.1 Support for Current Software

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.21.2 Services Management and Cloud Provisioning

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.21.3 Required Redundancy

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.21.4 Migration of Existing Partitions

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.21.5 Firmware, HMC, and VIO Software Installation

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.21.6 P590 removal and Disposal

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.21.7 Cloud Facility Provisioning Option

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.22 CABLES AND CONNECTIONS

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance. If the Offeror takes exception to this requirement, it should be stated as "Exception taken" and include the exception in the Proposal Section 5.h, Point Response.

2.23 LEASE OF EQUIPMENT

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.23.1 Funding Cap

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

2.25 KNOWLEDGE AND SKILLS REQUIREMENTS

The Offeror shall state its acceptance of the requirements detailed in this RFP section in its entirety or provide information on the conditions of its acceptance or exceptions to this requirement, in the Proposal Section 5.h, Point Response.

**APPENDIX I: FEDERAL REQUIREMENTS**

**IRS Required Contract Language for Technology Services**

**FBI Security Requirements**

## IRS REQUIRED CONTRACT LANGUAGE FOR TECHNOLOGY SERVICES

### 8. PERFORMANCE:

In performance of this contract, the Contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be done under the supervision of the Contractor or the Contractor's employees.
- (2) Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the Contractor will be prohibited.
- (3) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
- (4) The Contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the Contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the Contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- (5) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the Contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.
- (6) All computer systems receiving, processing, storing, or transmitting Federal tax information must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal tax information.
- (7) No work involving Federal tax information furnished under this contract will be subcontracted without prior written approval of the IRS.
- (8) The Contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.
- (9) The agency will have the right to void the contract if the Contractor fails to provide the safeguards described above.

## 9. CRIMINAL/CIVIL SANCTIONS:

- (1) Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.
- (2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431.
- (3) Additionally, it is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to Contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a Contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.
- (4) Granting a Contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented

and placed in the agency's files for review. As part of the certification and at least annually afterwards, Contractors should be advised of the provisions of IRC Sections 7431, 7213, and 7213A (see Exhibit 6, *IRC Sec. 7431 Civil Damages for Unauthorized Disclosure of Returns and Return Information* and Exhibit 5, *IRC Sec. 7213 Unauthorized Disclosure of Information*). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the Contractor should sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

#### **10. INSPECTION:**

The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the Contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the Contractor is found to be noncompliant with contract safeguards.

## **FBI REQUIREMENTS**

### **5.12.1 Personnel Security Policy and Procedures**

#### **5.12.1.1 Minimum Screening Requirements for Individuals Requiring Access to CJI:**

1. To verify identification, a state of residency and national fingerprint-based record checks shall be conducted within 30 days of assignment for all personnel who have direct access to CJI and those who have direct responsibility to configure and maintain computer systems and networks with direct access to CJI. When appropriate, the screening shall be consistent with: (i) 5 CFR 731.106; (ii) Office of Personnel Management policy, regulations, and guidance; and (iii) agency policy, regulations, and guidance. (See Appendix J for applicable guidance regarding noncriminal justice agencies performing adjudication of civil fingerprint submissions.) Federal entities bypassing state repositories in compliance with federal law may not be required to conduct a state fingerprint-based record check.
2. All requests for access shall be made as specified by the CSO. The CSO, or their designee, is authorized to approve access to CJI. All CSO designees shall be from an authorized criminal justice agency.
3. If a felony conviction of any kind exists, the hiring authority in the Interface Agency shall deny access to CJI. However, the hiring authority may ask for a review by the CSO in extenuating circumstances where the severity of the offense and the time that has passed would support a possible variance.
4. If a record of any other kind exists, access to CJI shall not be granted until the CSO or his/her designee reviews the matter to determine if access is appropriate.
5. If the person appears to be a fugitive or has an arrest history without conviction, the CSO or his/her designee shall review the matter to determine if access to CJI is appropriate.
6. If the person is employed by a NCJA, the CSO or his/her designee, and, if applicable, the appropriate board maintaining management control, shall review the matter to determine if CJI access is appropriate. This same procedure applies if this person is found to be a fugitive or has an arrest history without conviction.
7. If the person already has access to CJI and is subsequently arrested and or convicted, continued access to CJI shall be determined by the CSO. This does not implicitly grant hiring/firing authority with the CSA, only the authority to grant access to CJI.
8. If the CSO or his/her designee determines that access to CJI by the person would not be in the public interest, access shall be denied and the person's appointing authority shall be notified in writing of the access denial.
9. Support personnel, contractors, and custodial workers with access to physically secure locations or controlled areas (during CJI processing) shall be subject to a state and national fingerprint-based record check unless these individuals are escorted by authorized personnel at all times.

It is recommended individual background re-investigations be conducted every five years unless Rap Back is implemented.

### **5.12.1.2 Personnel Screening for Contractors and Vendors**

In addition to meeting the requirements in paragraph 5.12.1.1, Contractors and vendors shall meet the following requirements:

1. Prior to granting access to CJI, the CGA on whose behalf the Contractor is retained shall verify identification via a state of residency and national fingerprint-based record check.
2. If a record of any kind is found, the CGA shall be formally notified and system access shall be delayed pending review of the criminal history record information. The CGA shall in turn notify the Contractor-appointed Security Officer.
3. When identification of the applicant with a criminal history has been established by fingerprint comparison, the CGA or the CJA (if the CGA does not have the authority to view CHRI) shall review the matter.
4. A Contractor employee found to have a criminal record consisting of felony conviction(s) shall be disqualified.
5. Applicants shall also be disqualified on the basis of confirmations that arrest warrants are outstanding for such applicants.
6. The CGA shall maintain a list of personnel who have been authorized access to CJI and shall, upon request, provide a current copy of the access list to the CSO.

Applicants with a record of misdemeanor offense(s) may be granted access if the CSO determines the nature or severity of the misdemeanor offense(s) do not warrant disqualification. The CGA may request the CSO to review a denial of access determination.

**APPENDIX J: P590 Configurations**

P590 PARTITION RESOURCE ASSIGNMENTS  
FROM HMC

| Department | Name     | Processing Units Assigned | Memory Assigned | Environment        |
|------------|----------|---------------------------|-----------------|--------------------|
|            | ICSDVIO1 | .5                        | 1               | Virtual I/O Server |
|            | ICSDVIO2 | .5                        | 1               | Virtual I/O Server |
|            | ICSDVIO3 | .25                       | 1               | Virtual I/O Server |
|            | ICSDVIO4 | .25                       | 1               | Virtual I/O Server |
| DCCA       | DCCASRV1 | 2                         | 22              | AIX 5.3            |
| DCCA       | DCCASRV2 | .5                        | 5               | AIX 5.3            |
| DCCA       | DCCASRV3 | .2                        | 2               | AIX 5.3            |
| DCCA       | DCCASRV4 | 1.8                       | 5               | AIX 5.3            |
| DCCA       | DCCASRV5 | .5                        | 1.5             | AIX 5.3            |
| TAX        | TAX-ITPS | 3                         | 32              | AIX 6.1            |
| TAX        | TAX-ICS  | .6                        | 6               | AIX 6.1            |
| TAX        | TAX-DEV  | .25                       | 2               | AIX 6.1            |
| TAX        | TAX-RPT  | 2                         | 17              | AIX 6.1            |
| TAX        | TAX-SYST | 2                         | 17              | AIX 6.1            |
| TAX        | TAX-AUD  | .6                        | 2               | AIX 6.1            |
| TAX        | TAX-GRID | .75                       | 4               | AIX 6.1            |
| TAX        | TAX-LGCY | .15                       | 1.5             | AIX 6.1            |
| TAX        | TAX-JELF | .15                       | 2               | AIX 6.1            |
| Total      |          | 16                        | 123             |                    |

Additional information on Virtual I/O Servers

ICSDVIO1

ioslevel: 1.5.1.1-FP-10.1

oslevel: AIX 5.3

ICSDVIO2

ioslevel: 1.5.1.1-FP-10.1

oslevel: AIX 5.3

The following VIO Servers are assigned to DoTAX:

ICSDVIO3

ioslevel: 2.1.1.10-FP21

oslevel: AIX 6.1.3.0

ICSDVIO4

ioslevel: 2.1.1.10-FP21

oslevel: AIX 6.1.3.0

## CURRENT P590 CONFIGURATION

### P590 S/N 6AB10

|  |    |
|--|----|
| 9119-590 Server:9119 Model 590 00006AB10   | 1  |
| 0265 AIX Partition Specify   | 9  |
| 2137 SCSI Cable, B&C TO Media<br>Drawer, 1.5M, Mini- 68P TO 68P                  | 1  |
| 3147 RIO-2 (Remote I/O-2) Cable, 3.5M  | 12 |
| 3278 73.4 GB 15,000 RPM Ultra320<br>SCSI Disk Drive Assembly                     | 10 |
| 3585 300GB 15K RPM SCSI Disk Drive   | 6  |
| 3757 Service Shelf Tool Kit  | 1  |
| 4501 0/8 GB 533MHz DDR2 CuoD Memory<br>Card                                      | 16 |
| 5005 Software Preinstall   | 1  |
| 5706 IBM 2-Port 10/100/1000 Base-TX<br>Ethernet PCI-X Adapter                    | 16 |
| 5736 PCI-X Dual Channel Ultra320<br>SCSI Adapter                                 | 1  |
| 5752 4.7 GB SCSI DVD-RAM Drive   | 1  |
| 5758 4Gbps Fibre Channel (1-Port)  | 14 |
| 5791 I/O Drawer, 20 Slots, 16 Disk<br>Bays                                       | 3  |
| 5795 Media Drawer, Rack Mounted  | 1  |
| 6121 I/O Drw.Cbl.Grp, Prim.Rck/9U  | 1  |
| 6122 I/O Drw.Cbl.Grp, Prim.Rck/5U  | 1  |
| 6123 I/O Drw.Cbl.Grp, Prim.Rck/1U  | 1  |
| 6179 Power Cable, I/O Drawer to<br>Media Drawer                                  | 1  |
| 6186 Bulk Power Regulator  | 4  |
| 6861 Slim Line Doors for System<br>Rack, Blue Stripe                             | 1  |
| 7667 Activation, #8967 #7704 CuoD<br>Processor Book, One: PROCESSOR              | 16 |
| 7669 1 GB Memory Activation for<br>#4500, #4501, #4502 and #4503<br>Memory Cards | 80 |
| 7802 Ethernet Cable, 15M, Hardware<br>Management Console to System<br>Unit       | 2  |
| 7803 Bulk Power Controller Assembly  | 2  |
| 7807 Cooling Group, 2-4 Processor<br>Books                                       | 1  |
| 7809 DC Power Converter, Processor<br>Book                                       | 3  |
| 7810 Processor Clock Card,<br>Programmable                                       | 2  |

|   |    |
|---|----|
| 7811 System Service Processor   | 2  |
| 7812 Multiplexer Card   | 1  |
| 7818 Remote I/O-2 (RIO-2) Loop<br>Adapter, Two Port                         | 6  |
| 7821 Pwr.Cbl.Grp, CEC Primary Fans  | 1  |
| 7822 Pwr.Cbl.Grp, 1 <sup>st</sup> CEC Book                                  | 1  |
| 7826 Pwr.Cbl.Grp, 7807 Cooling Grp.   | 1  |
| 7837 Bulk Power Distribution<br>Assembly                                    | 4  |
| 7992 Advanced POWER Virtualization  | 16 |
| 8688 Line Cord, 6AWG/Type W, 14ft,<br>IEC309 60A Plug                       | 2  |
| 8967 16-Way POWER5+ 2.1GHz Standard<br>CuoD Processor Book: 0-Way<br>Active | 1  |
| 9300 Language Group Specify – US<br>English                                 | 1  |
| 5692-A5L System Software 0000CRVDY  | 1  |
| 0999 Virtual I/O Server V1.4  | 1  |
| 1005 Process no-charge  | 1  |
| 2924 English Language   | 1  |
| 3410 CD-ROM   | 1  |
| 5692-A5L System Software 0000CRT73  | 1  |
| 0967 MEDIA 5765-G03 AIX 5L V5.3   | 1  |
| 0968 Expansion pack   | 1  |
| 0970 AIX 5L V5.3 Update CD  | 1  |
| 0975 Microcode Upd Files and Disc<br>Tool CD                                | 1  |
| 1004 CD-ROM Process Charge  | 1  |
| 1403 Preinstall 64-bit Kernel   | 1  |
| 1424 Partition Load Manager   | 1  |
| 1488 Firefox  | 1  |
| 1492 Tivoli Access Mgr for Sys p V6<br>Client Code                          | 1  |
| 1493 Tivoli Access Mgr for Sys p V6<br>Server Code                          | 1  |
| 2924 English Language   | 1  |
| 3410 CD-ROM   | 1  |
| 5005 Preinstall   | 1  |
| 5924 English U/L SBCS Secondary<br>Language                                 | 1  |
| 5765-G03 AIX 5L V5.3 0000B695J  | 1  |
| 0044 Per Processor G5 AIX 5L V5.3   | 16 |
| 5765-G31 Partition Load 0000B695K<br>Manager                                | 1  |
| 0009 Per Processor G5 Partition Load Mgr                                    | 16 |
| 5765-G34 Virtual I/O Server 0000B695L                                       | 1  |

|   |    |
|---|----|
| 0009 Per Processor G5 Virtual I/O<br>Server                   | 16 |
| 5773-PL3 Partition Load 0000T6089<br>Manager SW Maint: 3 year | 1  |
| 0864 5773-PL3 SW MAINT 3Y Reg G5                              | 16 |
| 0865 Per processor 3 Yr SW Maint 16<br>24x7 Support G5        |    |
| 5773-SM3 Software Maintenance 0000T6090<br>for AIX, 3 Year    | 1  |
| 0470 G5 3 Yr SWMA for AIX per<br>Processor Reg/Ren            | 16 |
| 0472 G5 3 yr Services 7x24 Support<br>per Processor Reg/Ren   | 16 |
| 5773-VI3 Virtual I/O Server SW 0000T6091<br>Maintenance: 3 Yr | 1  |
| 0862 Per Processor G5 VIO 3 Yr<br>Maintenance                 | 16 |
| 0863 Per Processor G5 VIO 3 Yr Maint<br>24x7 Support          | 16 |

**APPENDIX K: Consolidated Storage**

## Storage System Configurations

### DS8100 S/N V5830

|                                  |           |   |
|----------------------------------|-----------|---|
| 2421-931 System Storage          | 0000V5830 | 1 |
| DS8100                           |           |   |
| 0700 OEL Indicator               |           | 1 |
| 0900 Non-Standby CoD             |           | 1 |
| 0932 IBM System p Indicator      |           | 1 |
| 1050 Battery Assembly            |           | 2 |
| 1090 Line Cord (US/LA/AP/Canada) |           | 1 |
| 1100 Management Console Internal |           | 1 |
| 1210 Disk Enclosure Pair         |           | 4 |
| 1211 Disk Drive Cable Group 1    |           | 1 |
| 1300 I/O Enclosure Pair          |           | 2 |
| 1312 RIO-G Cable Group 2         |           | 1 |
| 1410 50 um Fibre Cable (LC)      |           | 8 |
| 1801 RM Ethernet Adapter Pair    |           | 1 |
| 2116 146 GB 10K Drive Set        |           | 2 |
| 2216 146 GB 15K Drive Set        |           | 6 |
| 3011 Device Adapter Pair         |           | 2 |
| 3113 4Gb SW FCP/FICON Adapter    |           | 2 |
| 4011 16 GB Processor Memory      |           | 1 |
| 7001 OEL – 1 TB indicator        |           | 7 |
| 7002 OEL – 5 TB indicator        |           | 3 |
| 9090 AC Voltage: 200V – 240V     |           | 1 |
| 9100 MC Keyboard – US English    |           | 1 |
| <br>                             |           |   |
| 2396-LFA DS8000 Function         | 000005221 | 1 |
| Authorization                    |           |   |
| 0932 IBM System p Indicator      |           | 1 |
| 7001 OEL – 1 TB Unit             |           | 7 |
| 7002 OEL – 5 TB Unit             |           | 3 |

**HP EVA Configuration Not Available**

### N-Series

| Machine/Model | Features | Qty | Description                  | Serial |
|---------------|----------|-----|------------------------------|--------|
| 2863/004      |          |     |                              | 20881  |
|               | 2011     | 2   | 4-GBPS SF GBIC               |        |
|               | 2044     | 2   | 5.0 M FC OPTICAL CABLE       |        |
|               | 4006     | 14  | 300 GB, 15K RPM FC HDD       |        |
|               | 9000     | 1   | PDU PWR CORD, 42U RACK       |        |
|               | 9202     | 1   | FIELD INSTALL RACK MOUNT KIT |        |
| 2863/004      |          |     |                              | 27297  |
|               | 2011     | 2   | 4-GBPS SF GBIC               |        |
|               | 2044     | 2   | 5.0 M FC OPTICAL CABLE       |        |

|          |      |    |                              |       |
|----------|------|----|------------------------------|-------|
|          | 4008 | 14 | 600 GB, 15K RPM FC HDD       |       |
|          | 9000 | 1  | PDU PWR CORD, 42U RACK       |       |
|          | 9202 | 1  | FIELD INSTALL RACK MOUNT KIT |       |
| 2863/004 | 2011 | 2  | 4-GBPS SF GBIC               | 27298 |
|          | 2044 | 2  | 5.0 M FC OPTICAL CABLE       |       |
|          | 4008 | 14 | 600 GB, 15K RPM FC HDD       |       |
|          | 9000 | 1  | PDU PWR CORD, 42U RACK       |       |
|          | 9202 | 1  | FIELD INSTALL RACK MOUNT KIT |       |

### SAN Switches

The "O"s in address lines is intentionally substituted. Correct address will be available for installation.

#### IBM 2109-M48 (Brocade 48000)

Serial 100422E  
 WWN 100000051E366308  
 SW 10.O.OO.OOO / 255.255.255.0  
 (CP0 10.O.OO.OOO / 255.255.255.0)  
 (CP1 10.O.OO.OOO / 255.255.255.0)  
 Fabric version v5.3.0  
 Domain ID 1

#### IBM 2005-B64 (Brocade 4900)

Serial 104679B  
 WWN 100000051E0B0568  
 10.O.OO.OOO / 255.255.255.0  
 Fabric version v5.3.0  
 Domain ID 1

#### IBM 2005-B64 (Brocade 4900)

Serial 104680F  
 WWN 100000051E0BD6B9  
 10.O.OO.OOO / 255.255.255.0  
 Fabric version v5.3.0  
 Domain ID 1

## Configuration of Servers Attached to Storage Systems

### Servers Connected to the DS8100

9119-590 Server:9119 Model 590 00006AB10 Details listed in Appendix J

### Servers Attached to HP EVA

|      | Model    | ProcessorType     | Proc Spd GHz | No Proc | C/P | R A M | Disk  | Manuf Product Number | OS           | Ver  |
|------|----------|-------------------|--------------|---------|-----|-------|-------|----------------------|--------------|------|
| HP   | DL380 G3 | Xeon              | 3.2          | 2       | 1   | 3     | 1068  | 352529-001           | WSVR Ex32    | 2003 |
| HP   | DL380 G3 | 2.8GHz/512KB Xeon | 2.8          | 2       | 1   | 2     | 1500  | 352529-001           | WSVR Ex32    | 2008 |
| HP   | DL380 G3 | 2.8GHz/512KB Xeon | 2.8          | 2       | 1   | 2     | 1500  | 352529-001           | WSVR Ex32    | 2008 |
| Cmpq | DL580 G3 | Xeon              |              | 4       | 1   | 4     | 2350  |                      | WIN SVR Std  | 2003 |
| HP   | DL380 G4 | 3.60GHz/2MB Xeon  | 3.6          | 2       | 1   | 6     | 250   | 382485-001           | Red Hat E AS | 4    |
| HP   | DL380 G4 | 3.60GHz/2MB Xeon  | 3.6          | 2       | 1   | 6     | 81.5  | 382485-001           | Red Hat E AS | 4    |
| HP   | DL560 G1 | 3.0GHz/4MB Xeon   | 3            | 4       | 1   | 8     | 48.4  |                      | Red Hat E AS | 4    |
| HP   | DL560 G1 | 3.0GHz/4MB Xeon   | 3            | 4       | 1   | 8     | 78    |                      | Red Hat E AS | 4    |
| HP   | DL380 G4 | 3.60GHz/2MB Xeon  | 3.6          | 2       | 1   | 6     | 120   | 382485-001           | WSVR Ex32    | 2003 |
| HP   | DL380 G4 | 3.60GHz/2MB Xeon  | 3.6          | 2       | 1   | 6     | 18    | 382485-001           | Red Hat E AS | 4    |
| HP   | DL380 G4 | 3.60GHz/2MB Xeon  | 3.6          | 2       | 1   | 6     | 18.2  | 382485-001           | WSVR Ex32    | 2003 |
| HP   | DL380 G4 | 3.60GHz/2MB Xeon  | 3.6          | 2       | 1   | 6     | 372.2 | 382485-001           | Red Hat E AS | 4    |
| HP   | DL380 G4 | 3.60GHz/2MB Xeon  | 3.6          | 2       | 1   | 6     | 914.9 | 382485-001           | WSVR Ex32    | 2003 |
| HP   | DL380 G4 | 3.60GHz/2MB Xeon  | 3.6          | 2       | 1   | 6     | 200   | 382485-001           | Red Hat E AS | 4    |
| HP   | DL380 G4 | 3.60GHz/2MB Xeon  | 3.6          | 2       | 1   | 6     | 270   | 382485-001           | Red Hat E ES | 4    |
| HP   | DL380 G4 | 3.60GHz/2MB Xeon  | 3.6          | 2       | 1   | 6     | 318   | 382485-001           | Red Hat E ES | 4    |

**Servers Attached to N Series**

Configuration of Machine on Maintenance

|          |  |    |
|----------|--|----|
| 7870-ACQ | IBM Blade Center HS22  | 2  |
| 1033     | Add Intel Xeon Processor X5570 4C<br>2.93GHz 8MB Cache 1333MHz           |    |
| 1034     | Base   |    |
| 1039     | Ethernet Expansion Card (CIOv)<br>For IBM Blade Center                   |    |
| 1043     | Blade Cover  |    |
| 1044     | Labels for HS22 Blade Base   |    |
| 1051     | IBM 31.4GB SATA 2.5 SFF Slim-HS<br>SSD                                   | 4  |
| 1052     | System Documentation and Software<br>English                             |    |
| 1069     | Packaging – 1 U Blade WW   |    |
| 1074     | 4GB (1X4GB) Dual Rank PC3-10600<br>CL9 ECC DDR3-1333 VLP                 | 24 |
| 1078     | QLogic Ethernet and 8GB FC Expansion<br>Card (CFFh) for IBM Blade Center |    |
| 2302     | RAID Configuration   |    |
| 5368     | Intel Xeon Processor X5570 4C 2.93GHz<br>8MB Cache 1333MHz               |    |
| 7859     | Integrated Solid State Mirroring   |    |

Configuration supplied by Project

|                |   |
|----------------|---|
| Eight (8)      | HP Proliant BL460C G1 with two (2) Processors and 16GB RAM each |
| Seventeen (17) | IBM HS21 with two (2) Processors and 32GB RAM each              |
| Three (3)      | IBM HS21 with two (2) Processors and 16GB RAM each              |
| One (1)        | IBM HS22 with two (2) Processors and 48GB RAM                   |

VM Images Defined

| Type | GHz | Proc | C/Procs | RAM | Disk | OS         | Ver    | App |
|------|-----|------|---------|-----|------|------------|--------|-----|
| VM   | 2.9 |      | 2       | 4   | 27.2 | WIN E32    | 2K3 R2 | Web |
| VM   | 2.9 |      | 2       | 4   | 26.3 | WIN E32    | 2K3 R2 | Web |
| VM   | 2.9 |      | 2       | 4   | 26.3 | WIN E32    | 2K3 R2 | Web |
| VM   | 2.9 |      | 2       | 4   | 26.3 | WIN E32    | 2K3 R2 | Web |
| VM   |     | 1    |         | 4   | 20   | WIN DCtr64 | 2K8 R2 | Web |

|    |     |   |   |   |                      |             |        |             |
|----|-----|---|---|---|----------------------|-------------|--------|-------------|
| VM | 3   | 1 |   | 4 | 113                  | Red Hat Ent | 5.7    | Web         |
| VM | 3   | 1 |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 | Email       |
| VM | 3   | 1 |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 | Web         |
| VM | 3   | 1 |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 | Web         |
| VM | 3   | 1 |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 | DIVLAN      |
| VM | 3   | 1 |   | 1 | 50                   | WIN DCtr64  | 2K3 R2 | Web         |
| VM | 3   |   |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 | Web         |
| VM | 3   |   |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 | Email       |
| VM | 2.3 |   |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 | Sec         |
| VM | 3   |   |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 | Web         |
| VM | 3   |   |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 | Web         |
| VM | 3   |   |   | 4 | 50                   | WIN DCtr64  | 2K8 R2 | VI          |
| VM | 3   | 1 |   | 2 |                      | Red Hat Ent | 4      |             |
| VM | 3   | 1 |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 |             |
| VM | 3   | 1 |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 |             |
| VM | 3   | 1 |   | 2 | 30                   | WIN DCtr32  | 2K8    | File        |
| VM | 3   | 1 |   | 2 | 30                   | WIN DCtr32  | 2K8    | Web         |
| VM | 3   | 1 |   | 2 |                      | Red Hat Ent | 4      |             |
| VM | 3   | 1 |   | 1 | 40                   | Red Hat Ent | 4      | Web         |
| VM | 3   | 1 |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 |             |
| VM | 3   | 1 |   | 2 |                      | Red Hat Ent | 4      |             |
| VM | 3   | 1 |   | 4 |                      | Red Hat Ent | 5      |             |
| VM |     |   |   |   |                      | WIN DCtr64  | 2K8 R2 |             |
| VM | 3   |   |   | 4 | 30                   | Red Hat Ent | 5.7    |             |
| VM | 3   |   |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 |             |
| VM | 3   |   |   | 4 | 50                   | WIN DCtr64  | 2K8 R2 |             |
| VM | 3   | 1 |   | 4 | 30                   | WIN DCtr64  | 2K8 R2 |             |
| VM |     |   |   |   |                      | WIN DCtr64  | 2K8 R2 |             |
| VM |     |   |   |   |                      | WIN DCtr64  | 2K8 R2 |             |
| VM | 2.9 |   |   | 4 | 30                   | Red Hat Ent | 5.8    |             |
| VM |     |   |   |   |                      | WIN SVR     | 2K8 R2 |             |
| VM |     |   |   |   |                      | WIN SVR     | 2K8 R2 |             |
| VM |     |   |   |   |                      | WIN SVR     | 2K8 R2 |             |
| VM | 2.9 |   |   | 4 | 30                   | Red Hat Ent | 5.8    |             |
| VM | 3   | 1 |   | 4 | 113                  | Red Hat Ent | 6.2    | Web         |
| VM |     |   |   |   |                      | RHEL        | 5.8    |             |
| VM |     |   |   |   |                      | RHEL        | 5.8    |             |
| VM | 3   | 1 | 1 | 2 | 171GB<br>(90GB data) | RHEL        | 5.8    | Web<br>Site |
| VM | 3   | 1 | 1 | 2 | 111GB<br>(30GB data) | RHEL        | 5.8    | Web         |

|    |   |   |   |   |                      |         |        |             |
|----|---|---|---|---|----------------------|---------|--------|-------------|
| VM |   |   |   | 4 |                      | WIN SVR | 2K8 R2 |             |
| VM | 3 | 1 |   | 2 | 131GB<br>(50GB data) | RHEL    | 5.8    |             |
| VM | 3 | 2 |   | 4 | 113GB<br>(30GB data) | RHEL    | 5.8    |             |
| VM | 3 | 1 |   | 2 | 131GB<br>(50GB data) | RHEL    | 5.8    |             |
| VM | 3 | 1 | 1 | 4 | 113GB<br>(30GB data) | RHEL    | 5.8    | Web<br>Site |

**APPENDIX L: State's Lease Terms and Conditions**

1. Lease of Equipment

Lessor agrees to lease to Lessee, and Lessee agrees to hire from Lessor, the equipment more fully described in the Approved Equipment Schedule attached here to ("Equipment"), and executed by the parties concurrently herewith and which may be, from time to time, hereafter executed by Lessee and accepted by Lessor.

2. Term of Lease

The term of this Agreement, as to all Equipment designated on the Approved Equipment Schedule, shall commence on the Acceptance Date for the equipment, and shall continue for eighty-four (84) months from the Acceptance Date. This Agreement may be terminated by either party giving the other written notice three (3) months prior to the termination date. Lessee's notice of termination shall be mailed to the Lessor's address listed on the Offer Form submitted as part of the Offeror's proposal. Any notice of termination given by either party under this paragraph may not be revoked, without the written consent of the other party. Lessor's notice of termination shall be mailed or delivered to Lessee's Procurement Officer at:

Information and Communication Services Division  
Department of Accounting and General Services  
1151 Punchbowl Street, Room B10  
Honolulu, HI 96813

3. Rental and Payment

The monthly payment due from the Lessee to Lessor for the Equipment is set forth in the Approved Equipment Schedule. Rental shall begin on the Acceptance Date and shall be due and payable by the Lessee on the receipt of an invoice issued by the Lessor. If the Acceptance Date is not the first day of the calendar month, the first month's rent shall be prorated from the Acceptance Date.

4. Delivery and Installation

Lessor shall arrange for delivery of the Equipment to the installation site designated by the Lessee as specified and required by the RFP specifications. Lessee shall undertake, at its own expense, to prepare and make available the installation site for each unit of Equipment unless such preparation is a requirement of the Lessor to perform which includes, but is not limited to electrical work needed to "plug-in" Equipment to an electrical power source.

After delivery, Lessor shall install or cause to be installed, the Equipment, subject to the requirements of this RFP. Upon installation, Lessor shall notify Lessee that the Equipment is installed and ready for use, the installation shall be deemed to be completed when after the Equipment and Software successfully complete Acceptance testing and the Lessee accepts the equipment as specified by the requirements of the RFP.

5. Shipment

The rental payments shown on the Approved equipment Schedule attached hereto and all shipments made hereunder are F.O.B at the plant of each Equipment manufacturer identified in the Approved Equipment Schedule. All

cost associated with shipment including but not limited to drayage and cost associated with shipment specified and required by this RFP shall be paid by the Lessor.

6. Title and Ownership

All Equipment leased hereunder is and shall remain the property of Lessor or its assigns and Lessee's interest therein is only that of Lessee. Lessee agrees that it will not pledge, loan, mortgage, or attempt in any manner to dispose of the Equipment or to suffer any liens, encumbrances, or legal process to be incurred or levied on the Equipment. Lessor may affix tags, decals or plates to the Equipment indicating Lessor's ownership and Lessee shall not permit their removal or concealment.

Lessor or its agents shall have free access to the Equipment upon request to leave during reasonable times during Lessee's business hours for the purpose of inspection and for any other purpose of inspection and for any other purpose contemplated in the contract associated with this RFP. Lessor shall comply with all of Lessor's security requirements.

7. Location of Equipment

Lessee shall at times keep the Equipment in its sole possession and control. The Equipment shall not be moved from the State's Computer Center without the prior written consent of Lessor which shall not be unreasonably withheld.

8. Maintenance and Repairs

The Lessor shall include for the term of this lease, maintenance necessary to keep the equipment in good working order and condition and make all necessary adjustments, repairs, and replacements. Upon termination of this lease, Lessor shall, at its own expense, take possession of the Equipment and remove it from Lessee's premises.

The Lessee shall keep the Equipment in a facility with the stated capacity specified in the RFP associated with this lease.

9. Default and Repossession

In the event that Lessee shall default in making any payment due or in performing any other obligation required to be performed by Lessee and if such default remains uncured for a period of thirty (30) days after written notice from Lessor, then Lessor shall have among its rights, the right to terminate this Contract and repossess the Equipment. In the event of termination, Lessor shall have the right to enter Lessee's premise upon written notice to Lessee during the State's normal business hours for the purpose of such repossession and Lessee hereby consents to such entry.

10. Risk of Loss

After the Equipment has been accepted by Lessee, Lessee shall take good care of the Equipment and shall be responsible for any loss or damage to the Equipment. During the term of this lease, Lessee shall, at its own expense, keep in effect an all risk policy covering the Equipment for not less than its original cost to Lessor, unless the State's Risk Management Agency states this can be done.

Lessor shall secure insurance for the Equipment during shipment to Lessee's premises and until the Equipment has been accepted by Lessee.

#### 11. Warranty

Lessor warrants that the Equipment delivered hereunder shall be free from defects in material or workmanship for a period of ninety days (90) after the date of Acceptance. Lessor shall repair, or shall cause to be repaired, all Equipment subject to warranty.

Lessor's sole responsibility under the warranty shall be, at Lessor's option, to either repair or replace any component which fails during the warranty period due to defect in workmanship and/or material.

The above warranty is contingent upon the proper use of the Equipment and does not cover equipment which has been modified without Lessor's approval, or which has been subjected to unusual physical or electrical stress, or on which the original identification marks have been removed.

THE ABOVE IS A LIMITED WARRANTY AND IT IS THE ONLY WARRANTY MADE BY THE LESSOR. LESSOR MAKES AND LESSEE RECEIVES NO WARRANTY EXPRESS OR IMPLIED AND THERE IS EXPRESSLY EXCLUDED ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. LESSOR SHALL HAVE NO LIABILITY WITH RESPECT TO ITS OBLIGATION UNDER THIS AGREEMENT FOR CONSEQUENTIAL, EXEMPLARY OR INCIDENTAL DAMAGES EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE STATED EXPRESS WARRANTY IS IN LIEU OF ALL LIABILITIES OR OBLIGATIONS OF LESSOR FOR DAMAGES ARISING OUT OF OR IN CONJUNCTION WITH THE DELIVERY, USE OR PERFORMANCE OF THE EQUIPMENT.

#### 12. Quiet Possession

Lessor agrees that Lessee shall quietly possess the Equipment subject to and in accordance with the provisions hereof so long as Lessee is not in default hereunder.

#### 13. Infringement Indemnity

The Lessor agrees to the provisions of the General Conditions of the State of Hawaii, or GC as identified in the RFP Section 1.1, Terms and Acronyms Used Herein, including but not limited to GC Paragraph 7, Indemnification and Defense; 8, Cost of Litigation, 26, Ownership Rights and Copyright; and 33, Patented Articles.

#### 14. Taxes

Lessee shall, in addition to the other amounts payable under this Agreement, pay all sales and other taxes, federal, state, or otherwise, however designated which are levied or imposed by reason of the transaction contemplated by this Agreement. Without limiting the foregoing, Lessee shall promptly pay to Lessor an amount equal to any such items actually paid, or required to be collected or paid by Lessor.

## 15. Termination

Lessor shall have the right to terminate this Agreement:

- (a) Upon ninety (90) days' written notice in the event that Lessee, its officers or employees violates any provision of this Agreement including, but not limited to, payment;
- (b) In the event Lessee terminates or suspends its business;
- (c) In the event Lessee becomes insolvent, makes an assignment for the benefit of creditors, suffers or permits the appointment of a receiver, trustee in bankruptcy, or similar official for any substantial part of its business or assets;
- (d) In the event Lessee shall avail itself of or become subject to any bankruptcy proceeding under the Federal Bankruptcy Code or any statute or any state relating to insolvency or the protection of the rights of creditors.

## 16. General

### 16.1 Modification

This Lease may not be modified or altered except by a written instrument duly executed by both parties.

### 16.2 Governing Law

This Lease and performance hereunder shall be governed by and construed in accordance with the laws of the State of Hawai'i. Any and all proceedings relating to the subject matter hereof shall be maintained in the State courts of competent jurisdiction in Honolulu, Hawai'i.

### 16.3 Enforceability

If any provision of this Lease shall be held to be invalid, illegal or unenforceable, the validity and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

### 16.4 Assignment

The Lessee may not assign without the prior written consent of the Lessor, which shall not be unreasonably withheld, its rights, duties or obligations under this Agreement to any person or entity, in whole or in part. The transfer of the equipment to any other department or agency of the State, to be used as described in the RFP, will not constitute an assignment requiring Lessor's consent.

### 16.5 No Waiver

The waiver or failure of either party to exercise in any respect any right provided herein shall not be deemed a waiver of any further right hereunder.

### 16.6 General Conditions

The Lessor agrees that GC as included by the RFP is made part of the lease.