



STATE PROCUREMENT OFFICE
NOTICE OF REQUEST FOR EXEMPTION
FROM HRS CHAPTER 103D

'12 MAR -9 A9:38

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: Transportation
Name of Requesting Department

Pursuant to HRS § 103D-102(b)(4) and HAR chapter 3-120, the Department requests a procurement exemption for the following:

1. Describe the goods, services or construction:
Professional services are sought for re-design and construction administration (i.e., review of contractor submittals, answering Request for Information (RFI's), meetings, site visits, final inspections, assisting in plan revisions, and project close-out requirements) for Harbors Project No. H.C. 70007, Installation of Lift Station and Force Main, Port Allen Harbor, Kauai.

2. Vendor/Contractor/Service Provider:	AECOM Pacific, Inc. (AECOM)	3. Amount of Request:
4. Term of Contract From:	CPO Approval To: 2/28/13 est.	\$ 24,000.00 (approx.)
5. Prior SPO-007, Procurement Exemption (PE):		

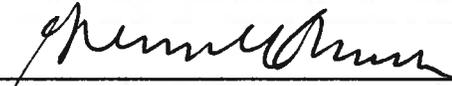
6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:
See Attachment 1, February 29, 2012

7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:
Harbors Division intends to negotiate the price for the revised scope of work with AECOM. Upon successful negotiation, a new contract will be executed to accomplish the work. As the original consultant who designed the project, AECOM has the background knowledge, design familiarity and expertise required to complete the work expeditiously and efficiently. AECOM's existing knowledge as the original design consultant makes it practicable for the State to continue with their services versus a competition which would introduce consultants unfamiliar with the design into the project and cause unnecessary delays.

8. Identify the primary individual(s) who is knowledgeable about this request, who will conduct and manage this process, and has 1) completed mandatory training; and 2) who may contact for follow up inquiry, if any.
 (Type over "example" and delete cells not used.)

Name of Department Personnel	Division/Agency	Phone Number	e-mail address
Jonathan Yee ⑥	Harbors Division	587-1956	jonathan.sw.yee@hawaii.gov

*All requirements/approvals and internal controls for this expenditure is the responsibility of the department.
 I certify that the information provided above is, to the best of my knowledge, true and correct.*



 Department Head Signature

MAR 02 2012

 Date

For Chief Procurement Officer Use Only

Date Notice Posted: 3/12/12

Submit written objection to this notice to issue an exempt contract within seven calendar days or as otherwise allowed from date notice posted to:

state.procurement.office@hawaii.gov

Chief Procurement Officer (CPO) Comments:

This request is disapproved as it lacks justification as an exempt procurement. The department elected to postpone the project for 6 years and the additional several months does warrant an exemption. In addition, from the time of the initial design work in 2006, statutes and rules changes may have occurred that may need to be incorporated into the design.

If there are any questions, please contact Kevin Takaesu at 586-0568, or kevin.s.takaesu@hawaii.gov.

Approved

Disapproved

No Action Required



 Chief Procurement Officer Signature

4/3/2012

 Date



AECOM
 1001 Bishop Street
 Suite 1600
 Honolulu, HI 96813
 www.aecom.com

808 521 3051 tel
 808 524 0246 fax

February 29, 2012

Mr. Randal K. Hiraki / Mr. Wade Takamoto
 State of Hawai'i
 Department of Transportation
 Harbors Division, Engineering Section
 Hale Awa Ku Moku Building
 79 South Nimitz Highway, Second Floor
 Honolulu, Hawai'i 96813-4898

Attn: Mr. Jonathan S. W. Yee
 Project Engineer, 808.587.1956

Dear Mr. Yee:

**Subject: State of Hawai'i, Department of Transportation, Harbors Division (DOT-H), Job H.C. 70007
 INSTALLATION OF LIFT STATION AND FORCE MAIN, Port Allen Harbor, Kaua'i, Hawai'i
 Tax Map Key (4)2-1-003:006
 Proposal and Scope of Work for Civil & Electrical Design Consulting Engineering Services**

We are pleased to provide a submittal for Civil & Electrical design consulting engineering services for the reactivation, repackaging and reprocessing of the construction plans, specifications and estimates (PS&E) for the proposed conversion of the existing cesspool system to a package lift station to convey wastewater to a nearby County of Kauai sewage pump system at the State of Hawai'i, Department of Transportation, Harbors Division (DOT-H), Port Allen Harbor facility on the southern coast of Kaua'i, Hawai'i. We completed the construction PS&E for this project in 2006; however, apparently it did not receive any bids for construction. Note that our original scope of work for this project as it was completed in 2006 did not include post design services, construction administration/observation services, and as-built/record drawings.

We propose to reactivate, repackage and reprocess the project construction PS&E and provide post-design services, construction administration/observation services, and as-built/record drawings, as described below, for a Lump Sum (LS) fee of Seventeen Thousand Nine Hundred Eighty Four Dollars (\$17,984). The elements of the overall fee are as follows:

• Preliminary Design Phase—90% Submittal (LS):	\$ 3,177
• Final Design Phase—100% Submittal (LS):	\$ 6,049
• Advertising and Bidding Phase (LS):	\$ 1,235
• Construction Administration Phase (LS):	\$ 7,523
TOTAL:	\$17,984

Please note that this proposal replaces earlier versions dated 12/19/11, 1/3/12 and 2/23/12.

PE/2-085K

Mr. Jonathan S. W. Yee, State DOT-H Project Engineer
February 29, 2012
Page 2 of 7

Our fee is broken down by task and specified in the following scope of work (SOW):

SCOPE OF WORK

1. Project Scoping, Admin & Management—part of *Prefinal Design Phase—90% Submittal* (\$472 LS):
 - a. Management, administration and processing for the execution of the project, and coordination of the plans and documents with the Client (State DOT-H) and design team subconsultants.
 - b. Attendance at meetings for coordination and processing with the State DOT-H and/or subconsultants, as necessary, are not included in this fee. Should these efforts be required, AECOM would be able to provide these services for an additional fee and time.
2. Design Plans, Specifications & Estimate—half part of *Prefinal Design Phase—90% Submittal*, and half part of *Final Design Phase—100% Submittal* (\$5,701 LS):
 - a. Attendance at meetings for coordination and processing with the State DOT-H, subconsultants and utility companies (Kaua'i Island Utility Cooperative [KIUC], etc.) as necessary, are not included in this fee. Should these efforts be required, AECOM would be able to provide these services for an additional fee and time.
 - b. Modify the following 11 design plans, as necessary:
 - Title Sheet with Index to Drawings and Vicinity and Location Maps
 - Construction Notes, Abbreviations and Legend
 - Existing Condition Plan, Boring Logs and Geotechnical Notes (with input from subconsultant Geolabs, etc.)
 - Erosion Control and Demolition Plan, 1"=40'
 - Wastewater Facilities Plan, 1"=40'
 - Wastewater Force Main Profile, 1"=40' V, 1"=20'H
 - Miscellaneous Details 1
 - Miscellaneous Details 2
 - Traffic Control Plans, 1"=40'
 - Electrical Symbol List, General Notes, Site Electrical Details (by subconsultant ECS, Inc.)
 - Electrical Site Plan (by subconsultant ECS, Inc.)
 - c. Modify Civil & Electrical design drawings, technical specifications, and Engineer's Opinion of Probable Construction Cost Estimate, as necessary.
 - d. Modify plans, proposal, and cost estimates to address utility company review comments, as necessary. It is assumed that the plans, proposal and cost estimates will be completed successfully in a single iteration each for the *Prefinal Design Phase—90% Submittal*, and *Final Design Phase—100% Submittal* packages. Any iteration greater than one (1) each will comprise additional work at an additional fee amount and schedule.
 - e. Submit ten (10) half-size (12"×18") bond sets of plans and ten (10) copies of specifications and cost estimate.
 - f. Submit one (1) full-size (24"×36") xerographic vellum set of plans.
 - g. One (1) bid compact disk (CD) of plans and specifications. AECOM would be able to provide additional bid CDs for an additional fee.
 - h. Provide overall quality assurance and control on all aspects of AECOM-prepared construction plans and specifications.

Mr. Jonathan S. W. Yee, State DOT-H Project Engineer

February 29, 2012

Page 3 of 7

3. Permits—part of *Final Design Phase—100% Submittal* (\$3,053 LS):

- a. Based on past agency consultation during the original completion of this project in 2006, and recent agency-response emails from November–December 2011 forwarded to AECOM from the State DOT-H, the following permits, clearances and requirements are anticipated for the project:
- (1) Environmental Assessment/Impact Statement Declaration of Exemption from Hawai'i Revised Statutes (HRS), Chapter 343 and Honolulu Administrative Rules (HAR), Chapter 11-200 requirements. It is assumed that this exemption declaration (5/10/06) will adequately satisfy all environmental requirements for the project undertaking.—no expended AECOM effort hours are anticipated.
 - (2) State of Hawai'i, Department of Land and Natural Resources, State of Hawai'i, Historic Preservation Division (DLNR-SHPD) Historic Sites Review HAR 6E-42. It is assumed that no adverse impacts will be anticipated for the project by the State DLNR-SHPD (via approval determination letter) and no further requirements (such as, an Archaeological Monitoring Plan [AMP], Inventory Survey, etc.) will be needed.—minimal effort anticipated by AECOM to send DLNR-SHPD project PS&E and answer any questions or provide clarifications they may have or need.
 - (3) State of Hawai'i, Department of Health (DOH), Disability and Communication Access Board (DCAB) Accessibility Review and Approval. It is assumed that the DOH-DCAB will issue a re-approval determination letter with no issues/concerns from initial coordination.—minimal effort anticipated by AECOM to send DOH-DCAB project PS&E and answer any questions or provide clarifications they may have or need to re-approve anticipated project modifications.
 - (4) State DOH Safe Drinking Water Branch (SDWB), Underground Injection Control (UIC) Permit for Abandonment of Existing Large-Capacity Cesspool (LCC) and incorporation of State DOH-SDWB-UIC-tailored specific instructions and specifications into the project plans and documents.—effort anticipated by AECOM to complete and submit permit application for DOH-SDWB approval, and answer any questions or provide clarifications they may have or need.
 - (5) County of Kaua'i (COK), Planning Department (PD), Zoning Permit or plan approval/signature. It is assumed that the COK-PD will readily issue a Zoning Permit or plan approval with no issues/concerns from initial coordination.—effort anticipated by AECOM to complete and submit permit application or project PS&E for COK-PD approval, and answer any questions or provide clarifications they may have or need.
 - (6) County of Kaua'i, Department of Public Works (DPW), Wastewater Division (WWD), wastewater system connection permit or plan approval/signature. It is assumed that the COK-DPW-WWD will readily allow the proposed State wastewater force main connection to their existing sewer manhole upstream of their lift station and accept the force main's anticipated flows with no issues/concerns from initial coordination.—effort anticipated by AECOM to complete and submit permit application or project PS&E for COK-DPW approval, and answer any questions or provide clarifications they may have or need.
- b. Modifications to plans, specifications and cost estimates to address agency review comments, as necessary in preparation for bid-out and construction. It is assumed that the plans, proposal and cost estimates will be completed successfully in a single iteration each for the *Prefinal Design Phase—90% Submittal*, and *Final Design Phase—100% Submittal* packages. Any iteration greater than one (1) each will comprise additional work at an additional fee amount and schedule.
- c. Submission and circulation of plan tracings through applicable signatory reviewing agencies for approval signatures, then provision of two (2) compact disks (CDs) containing electronic files of the final approved plans, specifications and opinions of probable construction cost estimate.

Mr. Jonathan S. W. Yee, State DOT-H Project Engineer

February 29, 2012

Page 4 of 7

- d. Due to the expedited schedule of the project, regulatory agencies may not be able to complete their review and approval of the proposed project or permits in as timely a fashion as anticipated on the project schedule to be submitted by AECOM to the State DOT-H. Any lengthy processing and review time by regulatory agencies is out of AECOM's control, and the State DOT-H shall not hold AECOM liable or responsible for any such resulting delays in the project.
 - e. Provision of overall quality assurance and control on all aspects of AECOM-prepared construction plans, specifications and opinions of probable construction cost estimate.
4. Services During Bidding—*Advertising and Bidding Phase* (\$1,235 LS):
- a. No Pre-Bid Meeting (construction cost anticipated to be less than \$0.5 million).
 - b. Answering of questions, clarification of design and preparation of addenda, as required, during the advertising and bidding process.
 - c. Provision of responses to the Contractor's Requests For Information (RFIs) and submittal review / shop drawings / change orders / revisions and responses (including the development of associated clarification sketches and figures, as required).
 - d. Review and process Contractor's substitution requests.
5. Services During Construction—*Construction Administration Phase* (\$7,523 LS):
- a. Attendance at one (1) Pre-Construction Meeting at the site.
 - b. Answering of questions, clarification of design and preparation of addenda and change orders, as required, during the construction phase of the project.
 - c. The following is not included in this fee: attendance at meetings at the State DOT-H Honolulu office during the construction phase for coordination and processing with the Client, subconsultants and government agencies. Should these efforts be required, AECOM would be able to provide these services for an additional fee and time.
 - d. The following is not included in this fee: attendance at site visit(s) during the construction phase for coordination and processing with the Client and government agencies. Should these efforts be required, AECOM would be able to provide these services for an additional fee and time.
 - e. Provision of responses to the Contractor's RFIs and submittal review / shop drawings / change orders / revisions and responses (including the development of associated clarification sketches and figures, as required).
 - f. Attendance at one (1) Construction Final Inspection Conference and Site Visit, and the development of a Final Punchlist.
 - g. Preparation of Record / As-Built Drawings on xerographic vellum based on Contractor redline markups. It is assumed that the as-built drawings will be completed successfully in a single iteration. Any iterations greater than one (1) will comprise additional work at an additional fee amount and schedule.
 - h. Fulltime construction management and contractor supervision, and field/soil/compaction testing are not included as part of this fee. As shall be contained in the specifications, the Contractor shall be responsible for procuring the services of a Geotechnical Engineer licensed in the State of Hawai'i to perform field/soil/compaction testing during construction.
6. Allowance: an allowance of \$6,000 to \$10,000 is recommended due to the assumptions and considerable reduction in effort from previous proposal versions, to expedite and cover any unanticipated design effort and coordination required and becoming evident during the course and execution of the project. For example, any meetings and site visits required for the project, excluding the Preconstruction and Final Inspection Meetings, will be considered additional work.

Mr. Jonathan S. W. Yee, State DOT-H Project Engineer

February 29, 2012

Page 5 of 7

7. Please note that this fee proposal and scope of work are based on the following assumptions:
- a. The recommended package pump station, appurtenant supporting equipment and associated technology will remain the same from the original design with no change to a different system or product.
 - b. The design elements, approach, installation, connections and layouts/alignments/profiles will remain essentially the same from the original design with minimal changes, if any. No analysis or study of the existing County sewer system and lift station, and their flows/capacities will need to be done.
 - c. The effort covered under this SOW is primarily a straightforward repackage of the design completed in 2006 with some minor updates/revisions as necessary and reprocessing for agency approvals, construction bid-out, and completion.
 - d. A County of Kaua'i, Department of Public Works, Building/Grading Permit will not be required for the project. Thus, no erosion control or drainage analysis/calculation report will be developed.
 - e. The proposed force main will not require an easement anywhere, such as, within the State DOT-H facility or Waialo Road; it is assumed that no easements will be created and no existing property lines will have to be changed. Please note that should an easement end up being required for the project, we would be able to complete the process at an additional fee amount and schedule since it would constitute additional SOW.
 - f. Additional review and research or material, as-built record drawings and available data and information will not be required to assist in the development of the topographical map and design drawings; it is assumed that information gathered for the original project will be sufficient.
 - g. The project will be exempt from the requirements of the Hawai'i Revised Statutes, Chapter 343 and Hawai'i Administrative Rules, Title 11, Chapter 200; it is assumed that an Environmental Assessment (CIA/FONSI) or Impact Statement will not be required for the project. It is further assumed that the State DOT-H has an existing, approved exemption list (that satisfactorily contains the proposed action of the project), and a standard exemption declaration form or memorandum that AECOM can complete for the proposed project undertaking.
 - h. The project will not require any permits (Flood Fringe Certification [FFC], Executive Orders [EOs], National Pollutant Discharge Elimination System [NPDES], US Army Corps of Engineers Section 404, Hawai'i Coastal Zone Management [CZM] Program Federal Consistency, Section 401 Water Quality Certification [WQC], Shoreline Setback Variance, Special Management Area [SMA] Permit, etc.) other than the aforementioned permits specifically mentioned above as being within the scope of services.
 - i. Topographic information (as well as, property lines, easements, rights-of way, parcel information, etc.) contained in the project's topographic map from 2005 by M&E Pacific, Inc. (now AECOM Technical Services, Inc.) reflect conditions at the site at the time the original fieldwork was completed in 2005 based on available information at that time. AECOM does not purport that the map accurately reflects conditions as they currently exist throughout the project site.
 - j. The AECOM design team will not have to provide construction management and construction contractor supervision.
The geotechnical information and recommendations contained in the project's soil report dated 10/21/05 by Geolabs, Inc. reflect conditions only in the locations tested at the time the original fieldwork was completed in 2005 based on available information at that time. Geolabs, Inc. does not purport that the report accurately reflects conditions as they currently exist throughout the project site.
 - l. The AECOM design team will not have to provide geotechnical earthwork compaction testing during construction.

Mr. Jonathan S. W. Yee, State DOT-H Project Engineer
February 29, 2012
Page 6 of 7

Please note that should any of these aforementioned items/processes end up being required for the project, AECOM would be able to complete them at an additional fee amount and schedule since it would constitute additional SOW.

8. The following tasks and services are not included as part of this proposal (exclusions):
- Engineering design and opinions of probable construction cost estimates for geotechnical, landscaping, mechanical/plumbing engineering, fire protection, corrosion protection, termite/rodent/pest protection, street and site lighting, structural engineering, building, and traffic (including assessment of traffic impacts to State or County streets).
 - Value engineering.
 - Geotechnical: exploration, borings, review of design plans for conformance with soils recommendations, and construction administration/post-design services.
 - Field investigation for and completion of topographic survey and map; cadastral or boundary survey and mapping; utility easement and subdivision mapping; and, final grade certification.
 - Water pumping system (other than the booster pump stations), water quality sampling (including any such requirements for the State Water Quality Certification), and, design of water features, entry features and pools; other than what is specifically mentioned above.
 - Off-site improvements; and, handling of off-site drainage.
 - Archaeological / cultural / noise / floral / faunal / air quality / utility / natural hazards / shoreline / visual resources / socio-economic environment / demographics surveys, studies, monitoring plans or assessment reports other than what is specifically mentioned above.
 - Advertising and distribution of bid set documents, and, printing costs for other consultant's coordination, bid packages, plans & specifications.
 - Title company, utility company, agency and processing fees; and, legal descriptions and exhibits.
 - Environmental / hazardous material sampling and analysis. It is assumed that the project site does not contain any hazardous material or related environmental concerns. Also, environmental studies / reports / approvals or processing with agencies other than those stipulated in this proposal and any other services not specifically mentioned above as being within the scope of services are not included.
 - Public and community meetings/hearings and publication fees other than those stipulated in this proposal and any other services not specifically mentioned above as being within the scope of services, and revisions to plans, proposal, and cost estimates to address community concerns.
 - Preparing or obtaining any applicable construction or any other permits not specifically indicated above, including, but not limited to:
 - US Environmental Protection Agency (EPA), Environmental Impact Statement (EIS)—National Environmental Policy Act of 1969 (NEPA).
 - US Coast Guard, Bridge and Causeway Permits.
 - State of Hawai'i, DLNR, Commission on Water Resource Management (CWRM), Instream Uses of Water: Petition to Amend Interim Instream Flow Standard, Permits for Stream Channel Alterations and Diversion Works (SCAP).
 - Any individual or general permit for the State of Hawai'i, DOH, CWB, NPDES Program (including the NOI-C Form for Storm Water Associated with Construction Activities, since the total project disturbed area is anticipated to be considerably less than an acre).
 - State of Hawai'i, DOH, Office of Environmental Quality Control (OEQC), Hawai'i Administrative Rules (HAR) Chapter 200 and Hawai'i Revised Statutes (HRS) Chapter 343, Environmental Impact Statement—State.



Mr. Jonathan S. W. Yee, State DOT-H Project Engineer

February 29, 2012

Page 7 of 7

- State of Hawai'i, Department of Transportation (DOT), Highways Division, Permit to Perform Work Within A State Highway Right-Of-Way.
- State of Hawai'i or County of Kaua'i, Municipal Separate Storm Sewer System (MS4) connection for Construction Dewatering Permit (Temporary). Also, obtaining approvals and consents of any storm drain owner for connection or discharge into their system(s).
- County of Kaua'i, Permit to Excavate Public Right-Of-Way (Trenching).
- County of Kaua'i, Flood Determination in General Flood Plain District (No-Rise Determination), Development Applications in Flood Hazard Districts, and Flood Hazard Variance.
- County of Kaua'i, Special Management Area Permit.
- Completion and processing of any rights-of-entry or work authorizations for carrying out construction work.
- Attendance at project warranty-period conferences and associated site visits.

Please note that any change or addition to the aforementioned scope of services described above will be considered as extra work and would need to be covered by a change order to our contract.

Thank you for this opportunity to continue to serve you, and we look forward to working with you further to make this a successful project. If you have any questions, please feel free to call me or Mike Nishimura at 808.521.3051.

Sincerely,

Rudolph Mina
AECOM Technical Services, Inc.
District Manager

Enclosures

RM:m

cc: Project Contract Folder & File

PE 12-085K

5 Services During Construction																	
General Assistance & Review	\$103			1	1	1											
Pre-Construction Meeting at Site (1 Max)	\$276				8												
RFIs / Submittal Review	\$194				4	2											
Site Visit for Final Inspection & Punchwalk (1 Max)	\$327			8													
As-Built/Record Drawings	\$367				1	12											
DIRECT LABOR	\$1,267																
OVERHEAD	\$2,188																
ODCs	\$973																
Subtotal LAB&EXP	\$4,428																
Profit	\$443																
SUBCONSULTANT (ECS, Inc.)	\$2,351																
State GE TAX	\$301																
5 SUBTOTAL	\$7,523																
TOTAL		\$17,984		1	2	19	24	55	0								

SUMMARY FOR ALL TASKS

DIRECT LABOR	\$3,275
OVERHEAD	\$5,657
ODCs	\$2,218
Subtotal LAB & EXP	\$11,149
Profit	\$1,115
Sum	\$12,264
SUBCONSULTANTS	\$5,000
State GE TAX	\$719

SUBCONSULTANTS

Geotechnical (Geolabs, Inc.)	\$0
Electrical (ECS, Inc.)	\$5,000
Total Subconsultants:	\$5,000
Total Topographic Survey:	\$0
Total Engineering:	\$12,984

Total Contract Amount: \$17,984

\$17,984

OTHER DIRECT COSTS BREAKDOWN

1 Project Scoping, Administration and Management	
Printing / Courier / Mail / Miscellaneous	46.50
1 Total ODC for 1	46.50
2 Re-Certification/Revision of Design	
Full-Size Vellum Tracings--11 blueines x \$4.80/sht x 1 set	52.80
Half-Size Bond Prints--11 blacklines x \$1.20/sht x 10 sets x 2 rounds	264.00
Half-Size Bond Prints--11 blacklines x \$1.20/sht x 8 sets x 2 rounds	211.20
Specs/Cost Estimates--100 shts x 4 copies x \$0.10 x 2 rounds	80.00
Courier / Mail / Miscellaneous	357.35
2 Total ODC for 3	965.35
3 Permit and Regulatory Agency Approvals	
Half-Size Bond Prints--11 blacklines x \$1.00/sht x 8 sets	88.00
Courier / Mail / Miscellaneous	59.50
3 Total ODC for 4	147.50
4 Services During Bidding	
Printing / Courier / Miscellaneous	85.70
4 Total ODC for 6	85.70
5 Services During Construction	
Airfares: 2 x \$300/RT	600.00
Car Rental & Airport Parking: 2 x (\$85/day + \$13/day)	196.00
Full-Size Vellum Tracings--11 blueines x \$4.80/sht x 1 set	52.80
Printing / Courier / Mail / Miscellaneous	123.70
5 Total ODC for 7	972.50

ADVANCE COPY - 2/29/12

Notice of and Request for Exemption from Chapter 103D, HRS
Attachment 1
February 29, 2012

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

AECOM (formally M&E Pacific, Inc., contract no. 52263) was the consultant who designed the project in 2006. Bidding & advertising, however, did not result in any qualified bidders. Therefore, no construction contract was awarded.

Increased public activity at Port Allen to date has intensified the need and urgency for the project. Therefore, Harbors Division has decided to re-start the project.

Harbors Division's discussions with Kauai Wastewater Management Division (KWMD) and Kauai Island Utility Cooperative (KIUC) have revealed that due to policy and/or administrative changes, a revision to the project's design is now required.

Because AECOM was the original consultant, Harbors Division has determined that it is not practicable or not advantageous to the State to choose another consultant to complete KWMD and KIUC's modifications to the project's design. This determination is based on the expectation that AECOM's estimated fee of \$18,000¹ for completing the revision to the project's design, including construction administration, is lower than any other firm. Supporting reasons for selecting AECOM include:

1. AECOM's familiarity with the project's scoping, administration and management aspects eliminates the need for meetings. Any other firm would not likely be able to perform with the same degree of professional competency and effectiveness without meetings. This enables AECOM to charge fewer billable hours than any other firm.
2. Revision and re-certification of design with KWMD & KIUC. AECOM understands the assumptions, the calculations and the intent of the original design to accomplish expeditious revision and re-certification of the design with KWMD and KIUC. This enables AECOM to charge fewer billable hours than any other firm.
3. The design cost for starting the project design anew is estimated at \$53,000². This cost is significantly higher than the aforementioned AECOM's estimated fee of \$18,000 for revising the project's design.

Based on the foregoing reasons, it is recommended to select AECOM to complete the design revision, and provide related construction administration services for this project. In addition, an extra \$6,000 should also be set aside for unanticipated issues that may arise during construction administration. Therefore, a total of \$24,000 should be budgeted for the price of this exemption.

¹ See attached draft of AECOM fee proposal "ADVANCE DRAFT (2/29/12)."

² The \$53,000 is derived from the assumption of an annual escalation rate of 3% from 2004 to 2012 from the original 2004 M&E Pacific fee proposal of \$41,400.