

5 JAN 10 09:42

STATE OF HAWAII
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: Department of Agriculture
(Department/Division/Agency)

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

Description of goods, services, or construction:
Disburse federal funds to an agricultural transportation cooperative under the federal Sugar Transportation Assistance Program (STAP). On October 13, 2004, President Bush signed Public Law 108-324, Military Construction Appropriations & Emergency Hurricane Supplemental Appropriations Act of 2005, which authorized the Secretary of Agriculture to provide a grant under the STAP to the State of Hawaii for assistance to an agricultural transportation cooperative in Hawaii. The Department of Agriculture is to serve as the pass-through agency to provide oversight and ensure that the funds are distributed according to legislation. The funds are intended to assist members in the agricultural transportation cooperative that sustained economic losses due to reduced sugar yield as a result of extraordinary weather conditions.

Name of Vendor: Hawaiian Sugar & Transportation Cooperative Address: P.O. Box 1056 Puunene, Maui, Hawaii 96784	Cost: \$7,200,000
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Term of Contract: <i>Upon CFO approval</i> From: 10/13/04 - 9/30/05 Federal grant period	To:	Prior Exemption Ref. No. (if applicable)
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Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:
The STAP grant was appropriated for a specific purpose to assist members of an agricultural transportation cooperative in Hawaii that sustained economic losses due to reduced sugar yield as a result of extraordinary weather conditions. The cooperative's members must also meet certain eligibility requirements as well as the intent of the legislation.

Details of the process or procedure to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
We are contacting various agricultural organizations to ensure that there is only one agricultural transportation cooperative that would meet the intent and the eligibility requirements of the legislation. The STAP grant also requires the department to ensure that the agricultural transportation cooperative members are eligible to participate in the Farm Service Agency administered Marketing Assistance Loan Program and that we offset proceeds with any past due owed the Federal Government by any recipient.

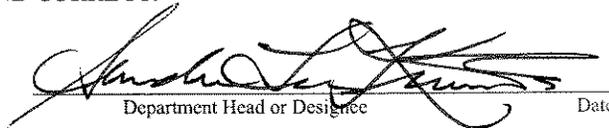
A description of the agency's internal controls and approval requirements for the exempted procurement:
 The department will abide by the STAP grant instructions for administering the funds, establishing eligibility of recipient cooperative, handling earned interest, handling refund of funds, reporting expenditures, and deadlines for reporting expenditures.

A list of agency personnel, by position title, who will be involved in the approval process and administration of the contract:
 Sandra Lee Kunimoto, Chairperson
 Elaine Abe, Administrative Services Officer
 Cheryl Mitsuyuki, Accountant V

Direct questions to: Elaine Abe, Administrative Services Officer	Phone Number: 973-9606
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This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR: Yes No

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS, TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT.

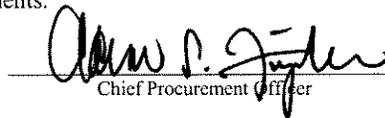
 1/7/05
 Department Head or Designee Date

Title (If other than Department Head)

Chief Procurement Officer's Comments:
 This approval is for the solicitation process only, Chapter 103D-310, HRS, shall apply.

Please ensure adherence to applicable administrative requirements.

APPROVED DISAPPROVED

 1/19/05
 Chief Procurement Officer Date

cc: Administrator,
 State Procurement Office

5 JAN 10 A9:42
STATE OF HAWAII

NOTICE OF EXEMPTION FROM CHAPTER 103D, HRS

STATE PROCUREMENT OFFICE
STATE OF HAWAII

The Chief Procurement Officer is in the process of reviewing the request from the Department of Agriculture for exemption from Chapter 103D, HRS, for the following goods, services, or construction:

Disburse federal funds to an agricultural transportation cooperative under the federal Sugar Transportation Assistance Program (STAP). On October 13, 2004, President Bush signed Public Law 108-324, Military Construction Appropriations & Emergency Hurricane Supplemental Appropriations Act of 2005, which authorized the Secretary of Agriculture to provide a grant under the STAP to the State of Hawaii for assistance to an agricultural transportation cooperative in Hawaii. The Department of Agriculture is to serve as the pass-through agency to provide oversight and ensure that the funds are distributed according to legislation. The funds are intended to assist members in the agricultural transportation cooperative that sustained economic losses due to reduced sugar yield as a result of extraordinary weather conditions.

Vendor: Hawaiian Sugar and Transportation Cooperative

Address: P.O. Box 1056 Puunene
Maui, Hawaii 96784

Term of Contract:	From:	To:	Cost:
	10/13/04 - 9/30/05	Federal grant period	\$7,200,000

Direct any inquiries to:		
Department:	Agriculture	Phone Number:
Contact Name/Title:	Elaine Abe, Administrative Services Officer	973-9606
Address:	1428 S. King St. Honolulu, Hawaii 96814	Fax Number:
		973-9613



Date Posted: 1/12/05

A copy of this notice of exemption from Chapter 103D, HRS, shall be posted by the Chief Procurement Officer and the purchasing agency in an area accessible to the public, at least seven (7) calendar days prior to any approval action.

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

Chief Procurement Officer
Office/Agency _____
Address _____
