

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

1. TO: Chief Procurement Officer
2. FROM: DLNR/ Division of Boating & Ocean Recreation

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:

<p>3. Description of goods, services or construction: Operate and maintain and operate the Nawiliwili and Kikiaola wastewater treatment plant as per the Operations and Manintenance Manual..</p>	
<p>4. Name of Vendor: AQUA ENGINEERS Address: P.O. BOX 368 LAWAI, HI. 96765</p>	<p>5. Price: \$33,079.2</p>
<p>6. Term of Contract: From: <i>Upon CPO Approval</i> To: <i>12-month period</i></p>	<p>7. Prior Exemption Ref. No.</p>
<p>8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:</p>	
<p>9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: The Division is will solicit the help of the Procurement Office to have a formal contract for the operation and maintenance of the waste water treat ment plants at both Nawiliwili Small Boat Harbor and Kikiaola Small Boat Harbor. In the meantime, the facilities need to be maintained as per the direction of Harold Yee (P.E., Chief , Wastewater Branch) Dept. of Health. None of the Boating staff are certified/qualified as "Wastewater Treatment Plant Operators". Since we do not know when a formal contract will materialize, we are asking permission to solicit a vendor that can meet our requirements to do the job, and pay for their services with a purchase order until the contract is processed.</p>	
<p>10. A description of the agency's internal controls and approval requirements for the exempted procurement:</p>	

DEPT. OF LAND & NATURAL RESOURCES
 2006 AUG 10 AM 10:15
 J. S. YEE

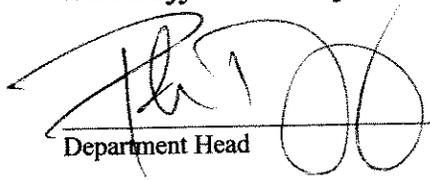
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:		Involvement in Process	
Name	Position	<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration

13. Direct inquiries to: Department: DLNR/Boating Division
 Contact Name: Joseph Borden
 Phone Number: 245-8028
 Fax Number: 246-6678

Agency shall ensure adherence to applicable administrative and statutory requirements

14. *I certify that the information provided above is, to the best of my knowledge, true and correct.*



08/17/06
Date

Department Head

Reserved for SPO Use Only

15. Date Notice Posted 08/23/06

The Chief Procurement Officer is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to:

Chief Procurement Officer
 State Procurement Office
 P.O. Box 119
 Honolulu, Hawaii 96810-0119

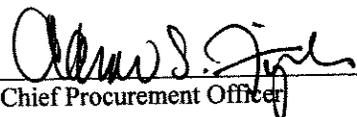
Chief Procurement Officer's comments:

The Division of Boating and Ocean Recreation processed purchase orders in excess of \$25,000 for the maintenance and operation of the Nawiliwili and Kikiaola wastewater treatment plants, contrary to small purchase procedures. HAR chapter 3-131 provides the rules on parceling and procurement violation.

Agency shall submit SPO Form 16, Procurement Violation Report of Findings and Corrective Action and/or Request for After-the-Fact Payment to address payment for services provided, and future services, until a contract is awarded.

DEPARTMENT OF LAND & NATURAL RESOURCES
 AUG 10 10:15 AM '06
 STATE PROCUREMENT OFFICE

16. APPROVED DISAPPROVED NO ACTION REQUIRED


 Chief Procurement Officer 9/1/06
 Date

2. CONTRACTOR FEES AND EXPENDITURES

Annual Fee The Annual Fee comprises all of the compensation to be paid to Operator for performance of the Operator services, and includes all applicable Hawaii General Excise Taxes.

Adjustment of Annual Fee In the event that the parties agree to supplement or amend the scope of the Operator Services such that the Operator's costs are materially altered thereby, the parties agree to negotiate an appropriate increase or decrease in the Annual Fee. Additionally, the parties shall renegotiate the Annual Fee each year during the term of this Agreement at least ninety (90) days prior to the beginning of each new term. If the parties fail to agree on the amount of any such annual adjustment, the adjustment if any, will be determined by applying the formula set forth in Attachment B hereto; provided, however, that no annual adjustment shall exceed five percent (5%).

Nawiliwili Wastewater Treatment Facility	\$1,183.24
SUBTOTAL	\$1,183.24
STATE TAX @ 4.166%	\$49.29
TOTAL MONTHLY INVOICE	\$1,232.53

Owner – DLNR Boating and Recreation

Contractor - Aqua Engineers, Inc.

Date

Ian Kagimoto, President _____

Date

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Kikiaola Wastewater Treatment Facility	\$1,463.11
SUBTOTAL	\$1,463.11
STATE TAX @ 4.166%	\$60.95
TOTAL MONTHLY INVOICE	\$1,524.07

Owner – DLNR Boating and Recreation

Contractor - Aqua Engineers, Inc.

Date

Ian Kagimoto, President

Date