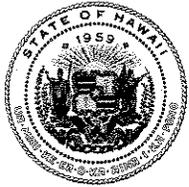


SEP 17 2007



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

1. TO: Chief Procurement Officer

2. FROM: Department of Health, Environmental Management Division, Solid & Hazardous Waste Branch, Office of Solid Waste Management
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:

3. Description of goods, services or construction:

This request is for Hawaii Deposit Beverage Container Program activities. It pertains specifically to payments that will be made by the Department of Health to various certified redemption centers (CRCs).

Redemption centers are recycling facilities that accept (redeem) deposit beverage containers from the public for recycling. A deposit of 5¢ per container is paid to the redeemer of the container (s). The deposit on each container has been previously paid to the department by the appropriate beverage distributor.

Each CRC will invoice the department for two types of payments. The first payment is for reimbursement of container deposits paid out by the redemption center to consumers. This payment is based on the 5¢ per container deposit. The second payment is that of the container handling fee which subsidizes recycling of the collected beverage containers. The handling fee will be paid at a rate of 2¢ per container to centers located on Oahu, and 3¢ per container for neighbor island centers.

Each center will be allowed to invoice the state at least twice a month for deposit reimbursement and handling fee payments.

4. Name of Vendor: —

Address: Various

5. Price:

\$52,000,000

6. Term of Contract: The Department of Health requests a two-year exemption beginning from date of approval.
From: To:

7. Prior Exemption Ref. No.
06-026-J

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:

The department accepts requests for payments only from redemption centers it has certified. Certification ensures that redemption centers have the proper environment permits and tax clearances. Certifications are not granted on a competitive basis. The process is open to all businesses interested in applying.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

As noted above, certifications are not granted on a competitive basis. Application for certification is open to all interested businesses.

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

10. A description of the agency's internal controls and approval requirements for the exempted procurement:

Please see comments above. Please also see enclosed copy of current, approved (dated: December 19, 2005), two-year procurement exemption for your reference.

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:

Name	Position	Involvement in Process	
Thomas E. Arizmui	P.E., Chief, EMD	<input checked="" type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Karl Motoyama	Solid Waste Coordinator, SHWB	<input checked="" type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Jennifer Webb-Tosaki	Recycling Coordinator, SHWB	<input checked="" type="checkbox"/> Approval	<input checked="" 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: Solid & Hazardous Waste Branch
 Contact Name: Karl Motoyama
 Phone Number: 586-4226
 Fax Number: 586-7509

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.*



SEP 13 2007

Department Head

Date

Reserved for SPO Use Only

15. Date Notice Posted 9/19/07

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

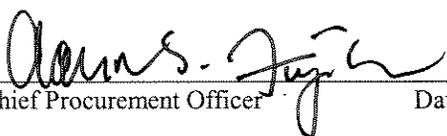
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

Chief Procurement Officer's comments:

This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112, shall apply.

16.

APPROVED DISAPPROVED NO ACTION REQUIRED


Chief Procurement Officer Date 9/26/07