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

1. TO: Chief Procurement Officer
2. FROM: Department of Agriculture / Aquaculture Development Program

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:

The 2008 Aquaculture Grant Program was created on February 17, 2009 by President Obama when he signed into law the American Recovery and Reinvestment Act of 2009 (Recovery Act). Section 102(d) of the Recovery Act, provides \$50 million to administer a 2008 Aquaculture Grant Program (AGP) to assist aquaculture producers for losses associated with high feed input costs during the 2008 calendar year. To provide assistance to eligible aquaculture producers, the Commodity Credit Corporation (CCC) will provide block grants to State Departments of Agriculture or similar State offices, designated by the Governor of those States, that agree to provide assistance to eligible aquaculture producers. Eligible producers can qualify for up to \$80,000 per producer (except for general partnerships and joint ventures in which case assistance shall not exceed \$80,000 times the number of members that constitute the general partnership or joint venture).

4. Name of Vendor: Qualified Program Applicants

Address: Statewide

5. Price:

\$max \$80K

6.

Term of Contract: From: Upon CPO App To: 10/1/09

7. Prior Exemption Ref. No.

8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State: The established State procurement process is not practical for the 2008 Aquaculture Grant Program since this program is designed to assist a specific segment of the aquaculture industry without a bid process. However, the program is competitive within the program parameters due to limited funds, (funds are disbursed first to those applicants whose applications are complete and eligibility verified, regardless of order of receipt of application) so producers are being urged to submit information on a timely basis.

To ensure industry knowledge of the program, HDOA will utilize industry communication channels (email) to explain program parameters and requirements. Support will be provided by the Aquaculture Development Program (in person and via telephone) to facilitate the industry participation.

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

The producers initially must meet Federal Farm Service Agency (FSA) and State Procurement criteria. FSA criteria includes meeting average adjusted gross income threshold calculations and proven conservation compliance eligibility. Once qualified, the producer will submit invoice information - HDOA will administer the financial verification process and ensure that the producers remain within the stated financial parameters of the program.

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

Producers are required to meet the Federal and State eligibility program requirements. Compliance with program requirements will be verified and documented by HDOA. HDOA will be contracting a third party to provide accounting consulting and financial review services to support the program. Also, a final audit is required to ensure overall accuracy and compliance.

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:		
Name	Position	Involvement in Process
Todd Low	ADP, Manager	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Theresa Toyama	ADP, Staff	<input 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
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: Department of Agriculture Contact Name: Todd Low Phone Number: 587.0031 Fax Number: 587.0033
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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.*

 Department Head	5/18/09 Date
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Reserved for SPO Use Only	
	15. Date Notice Posted <u>5/21/09</u>
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: <p style="margin-left: 40px;"> Chief Procurement Officer State Procurement Office P.O. Box 119 Honolulu, Hawaii 96810-0119 </p>	
Chief Procurement Officer's comments: <p style="margin-left: 40px;">Refer to PE No. 10-011-D</p>	

16. APPROVED DISAPPROVED NO ACTION REQUIRED

 Chief Procurement Officer	7/27/09 Date
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