

**BOARD OF WATER SUPPLY
CITY AND COUNTY OF HONOLULU
REQUEST FOR EXEMPTION FROM
CHAPTER 103D**

DATE: July 1, 2020

TO: Ernest Y.W. Lau, P.E.
Manager and Chief Engineer

VIA: Procurement Office *kit*

FROM: ERWIN KAWATA
Program Administrator
Water Quality Division

RE: REQUEST FOR EXEMPTION FROM CHAPTER 103D TO PROVIDE
LEAD SERVICE LINE INVENTORY, WATER QUALITY STUDY AND
RELATED TECHNICAL SERVICES

Pursuant to §103D-102(b)(4)(L), Hawaii Revised Statutes (HRS) and §3-120-5, Hawaii Administrative Rules (HAR), I am recommending that an exemption be granted from the solicitation process under the provisions of Chapter 103D, HRS, to select a contractor to award a contract to provide Lead Service Line Inventory, Water Quality Study and Related Technical Services to the Board of Water Supply (BWS).

Vendor Name & address: The Limtiaco Consulting Group, Inc.
1622 Kananakui Street
Honolulu, Hawai'i 96817

Amount of the contract: \$10,219,864.18 (Initial term of 3 years. Year 1 = \$2,483,276.49, Year 2 = \$3,757,249.42, Year 3 = \$3,979,338.27. Years 2 & 3 are subject to the appropriation and availability of funding.)

Prior exemption contract numbers: None

A. Background:

On November 13, 2019, the United States Environmental Protection Agency (EPA) proposed regulatory revisions to the National Primary Drinking Water Regulation (NPDWR) Lead and Copper Rule that will require the BWS to prepare a lead service line (LSL) inventory, develop an LSL replacement plan and conduct lead at tap testing at residential and commercial properties and school and child care facilities.

The EPA changes will require BWS to research all plumbing codes, permits, building department files, BWS water system maps and drawings, historical records on each service connection, meter installation records, BWS water system inspection record and any other resource required by the State Department of Health. BWS will also need to identify and inventory all service lines connected to the BWS water system regardless of ownership status and prepare a LSL replacements plan that contains a strategy for informing customers of a full or partial lead service line replacement, a LSL replacement goal rate and a funding strategy for conducting lead service line replacements. Finally, the changes will require BWS to conduct water testing at residential and commercial properties and over 200 school and child care facilities.

This project is required to ensure BWS compliance with the lead and copper rule revisions and determine the impacts to BWS operations. A project of this type will require extensive experience and knowledge in:

1. The implementation and compliance with federal and state drinking water regulations;
2. The design and operation of public drinking water systems and components including but not limited to water system pipelines, service laterals and materials, water meters, private property plumbing systems, components and materials;
3. Conducting record and data searches, surveys, preparation of databases, identify data sources, retrieve, assemble and compile information;
4. Coordinating and managing public engagement and participation programs, providing information, responding to public questions and concerns and;
5. The collection, handling and analyses of drinking water samples, assemble, report and interpret test results and creating databases.

B. Describe how procurement by competitive means is neither practicable nor advantageous to the Board of Water Supply (BWS)

In December of 2019, BWS posted a notice for professional services pursuant to §103D-304, HRS, to procure a vendor to perform the work for 27 days. The solicitation initially received one response. A second notice was posted on January 6, 2020 that had a submittal deadline of February 6, 2020. The BWS also received one response from the same vendor.

The results of the two notices posted and the project complexity demonstrate that continued solicitation pursuant to §103D-304, HRS, is not expected to produce the required three qualified vendor submittals to award a contract pursuant to §103D-304(g), HRS, and the total cost of the services for this contract precludes awarding the contract pursuant to §103D-304(j), HRS. It is highly unlikely that

the use of a request for competitive proposals pursuant to §103D-303, HRS, would yield more responses than was received when the BWS posted the request for qualifications pursuant to §103D-304, HRS. Additionally, qualifications and experience are the main determining factors in selecting a vendor rather than price and as such, the use of the competitive sealed bid selection process pursuant to §103D-302, HRS is not practicable.

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

BWS will engage in direct negotiations with qualified vendors to define the scope of work and a reasonable cost proposal for the services required.

Accordingly, I recommend your approval to award a contract to The Lintiaco Consulting Group, Inc. to conduct Lead Service Line Inventory, Water Quality Study and Related Technical Services to the Board of Water Supply (BWS) to the Board of Water Supply which will be exempt from the solicitation process of Chapter 103D, HRS. §103D-310(c), HRS, and §3-122-12, HAR (Responsibility of Offerors) shall apply. The application of this exemption will be limited to these facts and circumstances and may not be used as precedence to award any other contracts.

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

Erwin Kawata
Requestor

Erwin Kawata
Division Head

July 1, 2020
Date

July 1, 2020
Date

Direct Questions to: Erwin Kawata

Phone: (808) 748-5080

Date of Public Notice posting: JUL - 2 2020 - JUL 10 2020

APPROVED AS RECOMMENDED / NOT APPROVED

Ernest Y.W. Lau
ERNEST Y.W. LAU, P.E. RN
Manager and Chief Engineer

07/10/2020
Date

APPROVED AS TO AVAILABILITY OF FUNDS 2021-820-3021 (C21525062)
(5250.4270)



FINANCE ✓ NY
7/1/20 7/2/20
Date _____

REVIEWED AS TO PROCUREMENT FORM



PROCUREMENT OFFICE 7/10/2020 Date KH

**BOARD OF WATER SUPPLY
CITY AND COUNTY OF HONOLULU**

July 2, 2020
(Date Notice Posted)

NOTICE OF REQUEST FOR EXEMPTION FROM CHAPTER 103D HAWAII REVISED
STATUTES

The Manager and Chief Engineer is reviewing a request for exemption from Chapter 103D, Hawaii Revised Statutes (HRS), to award a contract for Lead Service Line and Water Quality Study.

The award shall be made to:

Name of Vendor: The Limtiaco Consulting Group

Address of Vendor: 1622 Kananui Street
Honolulu, Hawaii 96817

Cost: Estimated \$10,219,864.18

Term of Contract: 3 years

Direct any inquiries to: Kathryn Hoffman

Address: Board of Water Supply
Procurement Office
630 S. Beretania St.
Honolulu, HI 96843

Telephone No.: (808) 748-5071

Submit written objection(s) to this Notice of Intent to Issue an Exemption from Chapter 103D, HRS within seven (7) calendar days from the date this notice was posted to:

Manager and Chief Engineer
Board of Water Supply
630 S. Beretania St.
Honolulu, HI 96843

Telephone No. (808) 748-5071

103D Exemption Reference No.: BWS 21-01