NOTICE OF REQUEST FOR EXEMPTION FROM HRS 103D

COUNTY OF KAUAI

The Director of Finance has received a Request For Exemption from Chapter 103D, HRS, in accordance with Hawaii Administrative Rule 3-120-5. A preliminary review has been conducted and approved for posting of this Notice.

Accordingly, by posting of this Notice, constructive notice is provided to permit interested parties an opportunity to review a copy of the Request For Exemption from Chapter 103D, HRS, attached and posted herewith, and to submit written objections within seven (7) days from the date this Notice was posted. Objections shall be submitted to:

COKPurchasing@kauai.gov

Questions may be directed to the Division of Purchasing at phone: (808) 241-4288, or Email: COKPurchasing@kauai.gov.

A summary of the Request For Exemption from Chapter 103D, HRS, follows**:**

Proposed Vendor's Name and Address**:**
Marine Research Consultants, Inc.
46-312C Haiku Rd. Kaneohe, HI 96744

Proposed Procurement Item:
Lab & Related Services for Wailua WTP NPDES Permit and Outfall Diffuser Inspections (See Attached)

BY: Kristi Mahi
Division of Purchasing

Date Notice Posted: August 20, 2026

SPACE BELOW IS RESERVED FOR RESPONSE TO REQUESTING AGENCY

TO: Public Works / Wastewater

◉ Exemption #________________ is assigned. This Notice was posted for seven (7) days. No objections were received. Please proceed with (1) processing of a requisition for a purchase order, or (2) contract preparation with the County Attorney's Office.

○ Objection(s) were received. Please contact the Division of Purchasing.

____
Division of Purchasing

____
Date

DIVISION OF PURCHASING
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: DIVISION OF PURCHASING

FROM: Public Works / Wastewater 8/19/2026
(Dept or Agency) (Div) Date

Pursuant to Chapter 3-120-5, HAR, the Department requests a procurement exemption to purchase the following:

I. DESCRIPTION OF PROPOSED PROCUREMENT:

Lab & Related Services for Wailua WTP NPDES Permit and Outfall Diffuser Inspections

Services to perform ZOM field sampling, surveys, and visual inspection of the outfall diffusers in the ocean via a marine vessel as required by the County's National Pollutant Discharge Elimination System (NPDES) Permit (HI 0020257) for the Wailua WWTP.

We are anticpating the renewal of our NPDES permit in the Fall 2026 and anticipate that similar monitoring and inspection services will be required under the renewed NPDES permit with the inclusion of stricter enterococci monitoring protocols. In the event of any changes to the NPDES permit requirements, we will negotiate the scope prior to awarding, or as a contract amendment.

II. NAME/ADDRESS OF VENDOR:

Marine Research Consultants, Inc.
46-312 C Haiku Road
Kaneohe, HI 96744

III. ESTIMATED COST: $65,000
Anticipating a ☒ Contract or ☐ PO.

IV. ESTIMATED TERM OF CONTRACT OR DELIVERY TIME:

365 calendar days

V. Explanation describing how procurement by competitive means is either not practical or not advantageous to the County:

The scope of work requires the vendor to perfom various field sampling and surverying using a marine vessel for all ocean based work related to the ocean outfall and the associated NPDES permit, to include visual inspections.

The vendor is throughly familiar with our current Wailua NPDES permit requirements, familiar with the ocean conditions, and familiar with locating the outfall diffusers. Maintaining compliance with the NPDES permit is critial to ensuring we meet the regulatory requirements and maintain the use of this valuable asset for effluent disposal.

Given the need to stay within compliance for the duration of the permit, it is in the County's best interest to maintain the services already being provided without risking any potential transition issues that may put our permit compliance at risk.

VI. PROCUREMENT METHOD.

☒ Justification for vendor selection:

Vendor is selected because of demonstrated experience with understanding and conducting necessary outfall monitoring and laboratory analysis as required in our NPDES Permit. Vendor is thoroughly familiar with our outfall, the ocean conditions, and locating the outfall diffusers and sampling locations within the ZOM. We do not want to put our NPDES permit at risk, so we are trying to keep everything consistent to help ensure we meet our compliance requirements.

☐ Details of the **procurement method** to be followed in selecting the vendor to ensure maximum fair and open competition:

VII. If a recommendation of award is to be made by an evaluation committee, to include contract negotiation, who will conduct and manage the process:

(1) Name, Title, and relevant experience or qualifications:

Donn Kakuda, P.E., CE VI Manager. Several years of experience managing various wastewater contracts

(2) Name, Title, and relevant experience or qualifications:

Jason Coloma, Project Manager. Several years of experience managing various wastewater contracts

(3) Name, Title, and relevant experience or qualifications:

VIII. The vendor was/will be notified prior to soliciting or negotiating a price, that the applicable

County General Terms and Conditions, or General Provisions for Construction Contracts, is applicable to this purchase: Yes ☒ No ☐.

Direct question to: Jason Coloma Ph: 241-1991

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

Troy Tanigawa
Troy Tanigawa (Aug 19, 2026 12:07:12 HST)

(Department/Agency Head Signature)

Aug 19, 2026

Date

SPACE BELOW RESERVED FOR FINANCE DIRECTOR OR DESIGNEE:

APPROVED ☒ DENIED ☐

If approved, the following ☒ conditions apply:

☒ The furnishing and delivery of the items and/or services specified herein shall comply with this Request for Exemption in its entirety and with the General Terms and Conditions for Goods and Services, dated July 2016, which by reference is incorporated herein as though it were physically an integral part of this notice.

☐ The furnishing and delivery of the items and/or services specified herein shall comply with this Request for Exemption in its entirety and with the General Provisions for Construction Contracts (GPCC) dated September 2015, which by reference is incorporated herein as though it were physically an integral part of this notice.

X☐ Insurance: Contractor agrees to maintain, on a primary basis and at its sole expense, at all times during the life of the Contract, the insurance coverages, limits, including endorsements, described in the Insurance Requirements attached hereto.

☒ The names of the persons recommended in Sections VII shall not be disclosed until after award of a contract.

☒ Seven (7) day internet posting by **Purchasing Division** required.

☒ Prior CPO approval is required for any contract amendment(s) that would change the scope of work of the original contract. (amendments are also subject to 7 day Internet posting by **Purchasing Division**)

☒ A copy of the approved request must accompany any solicitation and contract document submitted to the Purchasing Division for processing.

☒ Final approval of the negotiated contract by the Director of Finance is required.

☒ Tax clearance compliance is required as a pre-requisite to contract and for final payment (HRS 103-53)

☒ The contractor shall be informed of the requirements of **HRS 11-355 relating to the prohibition of campaign contributions by State and County Contractors during the term of the contract (Contact State Campaign Spending Commission: 808 586-0285; www.hawaii.gov/campaign).**

Ernest Barreira
Ernest Barreira (Aug 20, 2026 15:39:24 HST)

DIRECTOR OF FINANCE or Designee   Date

DIRECTOR OF FINANCE'S COMMENTS:

EXHIBIT B

INSURANCE REQUIREMENTS

County of Kaua‘i

Contractor shall procure and maintain, on a primary basis and at its sole expense, at all times during the life of the contract insurance coverages and limits, including endorsements, described herein against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work by the Contractor or the Contractor's agents, representatives, employees, or subcontractors. The requirements contained herein, as well as the County's review or acceptance of insurance maintained by the Contractor is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by the Contractor.

To the extent applicable, the amounts and types of insurance will conform to the minimum terms, conditions and coverage(s) of Insurance Service Office (ISO) policies, forms, and endorsements.

A. General Conditions

Waiver of Subrogation. Contractor shall agree by entering into a contract with the County to provide a Waiver of Subrogation for the Commercial General Liability, Automobile Liability, and Workers Compensation policies. When required by the insurer, or should a policy condition not permit Contractor to enter into a pre-loss agreement to waive subrogation without an endorsement, the Contractor shall agree to notify the insurer and request the policy be endorsed with a Waiver of Subrogation in favor of the County. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition specifically prohibiting such an endorsement, or voids coverage should Contractor enter into such an agreement on a pre-loss basis.

Additional Insured. Contractor shall agree to endorse the County of Kaua‘i as an Additional Insured with a CG026 Additional Insured – Designated Person or Organization endorsement, a copy of the applicable policy language, or similar endorsement to all required insurance policy(ies), except for Workers Compensation and Professional Liability.

Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the County. At the discretion of the County, the County may require Contractor to reduce or eliminate any such deductibles or self-insured retentions as respects the County, or require Contractor to provide a financial guarantee (audited financial statement or bond) satisfactory to the County guaranteeing payment of any losses and related investigations, claim administration, or defense expenses. Any deductibles or self-insured retentions are the sole responsibility of Contractor and its subcontractor(s) if any. The County reserves the right to deduct from the final payment to Contractor any unsatisfied deductibles or self-insured retentions which would result in a lien against the project.

When any deductibles or self-insured retention exceeds $50,000, the County reserves the right, but not the obligation, to request and review a copy of Contractor's most recent annual report or audited financial statement.

Contractor must declare any exception to the requirements of this provision as a question to the solicitation prior to submission of their offer, and must declare their ability to provide a bond or other satisfactory guarantee in lieu of any deductibles or self-insured retention. The County will make a determination as to any exception(s) via an addendum to the solicitation prior to final submission of offers.

Contractor's Responsibility. The Contractor is responsible for paying any portion of any loss not covered because of the operation of any deductible, co- insurance clause or self-insured retention applicable to the insurance required herein. If the County is damaged by the failure of the Contractor to maintain insurance as required in this paragraph, then the Contractor shall bear all reasonable costs properly attributable to that failure.

Primary and Non-contributory. All policies required of the Contractor will be endorsed as primary and any insurance or self-insurance program maintained by the County shall be non-contributory.

Certificate of Insurance. Concurrent with the execution of the contract, Contractor shall provide the County a certificate of insurance completed by a duly authorized representative of their insurer certifying that the liability coverage(s) is written on an occurrence form. Immediately upon becoming aware that its insurance will be cancelled, non-renewed, or materially changed, Contractor will notify County by providing written notice.

The Certificate Holder address shall read:

County of Kauaʻi
Department of Public Works, Wastewater Management Division
Līhuʻe, HI 96766
Attention: County Engineer
Contract No. TBD
Project Title: Lab and Related Services for Wailua WWTP NPDES Permit and Outfall Diffuser Inspections

Concurrent with the execution the contract the Contractor shall furnish the County with original certificates and endorsements effecting required coverage(s). The County reserves the right to require complete copies of all required insurance policies, including the policy declarations and endorsements affecting the coverage at any time.

Failure to secure and maintain the required insurance shall be considered as a material breach of the contract. Should the County be forced to expend funds that would have been covered under the specified insurance, Contractor shall reimburse County for such funds. In the event the County determines, in its sole and absolute discretion, that it is necessary to purchase the coverages herein required of the Contractor, and which the Contractor has failed to secure, the Contractor shall reimburse the County for the expenditure of such funds.

Right to Revise or Reject. County reserves the right, but not the obligation, to review and revise any insurance requirement, not limited to limits, coverages and endorsements based on insurance market conditions affecting the availability or affordability of coverage; or changes in the scope of work or specifications affecting the applicability of coverage. Additionally, the County reserves the right, but not the obligation, to review and reject any insurance policies failing to meet the criteria stated herein or any insurer providing coverage due to its poor financial condition or failure to operate legally.

B. Minimum Insurance Coverage Requirements

Unless otherwise approved by the Director of Finance, the policy or policies of insurance maintained by the Contractor shall provide the following minimum limit(s) and coverage(s) as specified herein and be placed with an insurance carrier authorized to do business in the State of Hawai'i and rated A-VII by A.M. Best:

☑ **Commercial General Liability**. The Contractor shall procure and maintain Commercial General Liability (CGL), with dedicated required limits, as set forth herein, written on occurrence form providing:

○ Designated premises basis **OR** ◉ Per Project basis

(Per Project Basis. The Commercial General Liability policy aggregate limits shall apply to both the general and products/completed operations limits. The term “project basis” should not be construed to mean the County is requiring the Contractor to purchase a separate project specific general liability and products completed operations policy for the project.)

The coverages shall include the following:

- Premises Operations
- Independent Contractors
- ☑ Products and Completed Operations
- Broad Form Property Damage including completed operations
- Blanket Contractual Liability
- Personal Injury
- Employees named as Additional Insured
- Severability of Interest
- ☐ Explosion, Collapse and Underground Property Damage

The minimum limits of liability may be satisfied by providing either:

Bodily Injury and Property Damage Combined Single Limit: ▪ $2,000,000 per occurrence ▪ $2,000,000 annual aggregate	OR	**Personal Injury**: ▪ $1,000,000 per occurrence ▪ $2,000,000 annual aggregate AND **Products and Completed Operations:** ▪ $1,000,000 per occurrence ▪ $2,000,000 annual aggregate

Contractor must provide evidence that the County is an Additional Insured for Products/Completed Operations coverage for both ongoing operations and after substantial completion of the work. ISO Form CG 20 10 04 13 and ISO Form CG 20 39 12 19, or equivalent forms are required from the Contractor. Coverage provided by a non-equivalent CGL form shall be specifically endorsed providing both the course of construction and products/completed operations. ISO Form CG 20 10 04 13 and ISO Form CG 20 39 12 19, or equivalent forms are required from the Contractor. The Contractor and subcontractor(s), if any, shall provide evidence to the County on an annual basis the products/completed operation coverage is in effect for **two (2)** years after substantial completion of the project.

☑ **Business Automobile Liability.** The Contractor shall procure and maintain Business Automobile Liability written on occurrence form for all Owned, Non-owned, and Hired automobiles. If the Contractor does not own automobiles, Contractor shall agree to maintain coverage for Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Automobile Liability. Coverage shall be for automobile contractual liability, uninsured and underinsured motorist coverage, basic no-fault, and personal injury protection, as required by Hawai'i law with the following limits:

Bodily Injury

$1,000,000 per person

$1,000,000 per occurrence

Property Damage

$1,000,000 per accident

☑ **Workers' Compensation and Employer's Liability.** The Contractor shall procure and maintain at all times during the term of the contract the following insurance liability coverage: Workers' Compensation, Temporary Disability Insurance (TDI), and similar insurance that is required by the State of Hawai'i or federal laws. Self-insurance is permitted subject to submission of a copy of the appropriate governmental authorization and qualification by the Contractor and subcontractor(s).

The minimum limits of liability to be maintained are as follows:

Coverage A: State of Hawai'i Workers' Compensation Law:

Statutory Limits.

Coverage B: Employer's Liability:

Bodily Injury from each accident	$1,000,000
Bodily Injury from disease	$1,000,000
Bodily Injury from disease aggregate	$1,000,000

☐ **Builder's Risk.** The Contractor shall procure and maintain an Inland Marine Builder's Risk policy providing coverage to protect the interests of the County, Contractor, sub-contractors, architects, and engineers, including property in transit and property on or off-premises, which shall become part of the building, or Project. Coverage shall be written on an **All Risk, Replacement Cost, and Completed Value Form** basis in an amount at least equal to 100% of the projected completed value of the Project as well as subsequent modifications of that sum, unless an agreed amount is otherwise stated between the County and the Contractor. The policy shall insure all work, labor, and materials furnished by the Contractor and the Contractor's subcontractors against loss occasioned by fire, lighting, windstorm, theft, vandalism, malicious mischief, flood, earthquake, and collapse.

The amount of coverage for the perils of flood and earthquake may be subject to a sub-limit. The sub-limit shall provide coverage of at least 25% of the full replacement cost.

The policy shall also include coverage for debris removal and reasonable compensation for architect's and engineer's services and expenses required as a result of an insured loss. The Contractor shall endorse the policy with a manuscript endorsement eliminating the automatic termination of coverage in the event the building is occupied in whole or in part, or put to its intended use, or partially accepted by the County. The manuscript endorsement shall amend the automatic termination clause to only terminate coverage if the policy expires, is cancelled, the County's interest in the building ceases, or the building is accepted or insured by the County.

The Contractor shall name the County of Kauaʻi as a loss payee on the Builder's Risk policy.

☐ **Installation Floater.** The Contractor shall procure and maintain an Installation Floater policy providing coverage to protect the interests of the County, Contractor, sub-contractor(s), architects, and engineers, including property in transit and property on or off-premises, which shall become part of the project.

Coverage shall be written on an All Risk, Replacement Cost, and Completed Value Form basis in an amount at least equal to 100% of the projected completed value of the Project as well as subsequent modifications of that sum, unless an agreed amount is otherwise stated between the County and the Contractor. The policy shall insure all work, labor, and materials furnished by the Contractor and the Contractor's subcontractors against loss occasioned by fire, lighting, windstorm, theft, vandalism, malicious mischief, flood, earthquake, and collapse.

The amount of coverage for the perils of flood and earthquake may be subject to a sub-limit. The sub-limit shall provide coverage of at least 25% of the full replacement cost.

The policy shall also include coverage for debris removal and reasonable compensation for architect's and engineer's services and expenses required as a result of an insured loss. The Contractor shall endorse the policy with a manuscript endorsement eliminating the automatic termination of coverage in the event the building is occupied in whole or in part, or put to its intended use, or partially accepted by the County. The manuscript endorsement shall amend the automatic termination clause to only terminate coverage if the policy expires, is cancelled, the County's interest in the building ceases, or the building is accepted or insured by the County.

The Contractor shall name the County of Kauaʻi as a loss payee on the Installation Floater policy.

☐ **Professional Liability (Errors and Omissions).** The Contractor and its subcontractors shall procure and maintain Professional Liability Insurance (Errors and Omissions Insurance) that covers all such activities under the contract. Such insurance shall have these minimum limits and coverage(s):

$1,000,000 per occurrence
$2,000,000 annual aggregate

For policies written on a "Claims-Made" basis, Contractor warrants the retroactive date equals or precedes the effective date of the contract. In the event the policy is canceled, non-renewed, switched to an Occurrence Form, retroactive date advanced; or any other event triggering the right to purchase a Supplemental Extended Reporting Period (SERP) during the life of the contract, Contractor shall agree to purchase Supplement Extended Reporting Period (SERP) with a minimum reporting period not less than **two (2)** years. The requirement to purchase a SERP shall not relieve Contractor of the obligation to provide replacement coverage.

☐ **Pollution Legal Liability.** The Contractor shall procure and maintain Pollution Liability or similar Environmental Impairment Liability at a minimum limit not less than:

$1,000,000 per occurrence

$2,000,000 annual aggregate

The policy shall provide coverage for damages against, but not limited to, third-party liability, clean-up, corrective action including assessment, remediation and defense costs.

☐ **Contractor's Pollution Liability.** Contractor shall procure and maintain pollution liability insurance when the Scope of Work involves removal, abatement, encapsulation or other treatment, disposal or remediation of asbestos or other hazardous materials or an exposure to pollutants or impairment of the environment. The policy shall provide coverage for third party liability, clean-up, and corrective action including assessment remediation and defense costs. The policy may be written on either an occurrence form or claims made. The minimum limits of liability shall be:

$1,000,000 per occurrence

$2,000,000 annual aggregate

☐ **Crime Insurance or Commercial Fidelity Bond.** Contractor shall procure and maintain Commercial Crime Insurance or Fidelity Bond providing Employee Dishonesty on a blanket basis covering all of the Contractor's employees with a minimum amount of insurance at least equal to the amount of the contract. The policy shall be endorsed to cover "Third-Party Liability" including a third-party beneficiary clause in favor of the County. The policy shall include a minimum twelve (12) month "Discovery Period" when written on a Loss Sustained basis.

☐ **Property.** The Tenant or Lessee, shall agree to maintain property insurance including flood and windstorm written on a replacement cost basis in an amount not less than 100% of the replacement cost of the building(s) and contents, including betterments and improvements made by the Tenant or Lessee, located on the premises. Contractor shall agree to be fully responsible for any deductible or self-insured retention, and to provide this coverage on primary basis.

Umbrella or Excess Liability. Contractor may satisfy the minimum liability limits required above under an Umbrella or Excess Liability policy with $1,000,000 per occurrence and $2,000,000 aggregate. If Contractor is using its Umbrella or Excess Liability Insurance policy to satisfy the minimum requirements, Contractor shall agree to endorse the County of Kaua'i as "Additional Insured" on the Umbrella or Excess Liability policy, or shall confirm in writing that its Umbrella or Excess Liability policy "follows form."