

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Forestry and Wildlife
Honolulu, Hawaii 96813

February 28, 2025

Chairperson and Members
Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Land Board Members:

SUBJECT: REQUEST FOR DELEGATION OF AUTHORITY TO THE CHAIRPERSON TO: 1) APPROVE, PROCURE, AWARD, SIGN, EXECUTE, AMEND, AND EXTEND INDEFINITE QUANTITY CONTRACTS PROCURED THROUGH CHAPTER 103D HAWAII REVISED STATUTES; 2) DECLARE THESE CONTRACTS EXEMPT FROM THE PREPARATION OF AN ENVIRONMENTAL ASSESSMENT (EA) OR APPROVE AN ENVIRONMENTAL ASSESSMENT AND ISSUE A FINDING OF NO SIGNIFICANT IMPACT (FONSI), IF APPROPRIATE

BACKGROUND:

This submittal requests delegation of authority to the Chairperson to approve indefinite quantity contracts procured through the Hawaii Public Procurement Code (Ch. 103D, Hawaii Revised Statutes). On April 13, 2017, the Board of Land and Natural Resources (Board) approved a requested delegation for contracts under \$500,000, excluding contracts procured through 103D-303, Hawaii Revised Statutes: Competitive Sealed Proposals. On January 10, 2020, in item C-2, the Board expanded that delegation to include Competitive Sealed Proposals. This submittal seeks to delegate approval for indefinite quantity contracts. This submittal applies to all Divisions within the Department of Land and Natural Resources (Department).

Under Chapter 171, Hawaii Revised Statutes (HRS), the Board is given the powers and functions granted to the heads of departments for activities such as entering contracts. It may delegate those powers and duties to the Chairperson or employees of the Department. The contracting process involves multiple reviews and approval processes, including the initial budgeting process, legislative appropriation, administrative release of funds, compliance with Chapter 343, HRS, certification of funds by the Comptroller, approval as to form by the Attorney General, and finally approval by the Chairperson.

Chapter 103D is the standard procurement code for the State, which has provisions for ethical, competitive, and public source selection processes that are subject to audits

and oversight. The Department's Divisions and Offices enter numerous contracts for goods and services, professional services, and construction. Indefinite quantity contracts seek a price for a unit of measure instead of an overall amount. These contracts are frequently used for purchasing helicopter rentals, supplies, and materials. Procuring these contracts is necessary to implement the Department's natural and cultural resource management activities or to carry out administrative functions.

Indefinite quantity contracts are appropriate for this type of delegation because the total amount contracted per year is unforeseeable. While the Board has approved the delegation to enter contracts under \$500,000, a division may need to exceed that amount when encumbering funds through an indefinite-quantity contract. For example, a division may estimate it will require less than \$500,000 for a helicopter contract billed on an indefinite per-hour rate. However, if a fire or some other emergency requires higher usage than estimated, the division may need to encumber over \$500,000 and thus need board approval. When hearing these procurement requests, the Board has commented that these are routine matters. Therefore, the Division seeks to delegate approval for these types of contracts. In effect, this would streamline the contracting process for procurements. This includes Invitation for Bid (IFB) projects and those procured through the Request for Proposal (RFP) process. The RFP process involves basing an award on other evaluation factors besides price.

DISCUSSION:

Authorizing the Chairperson to review and approve contracts at the Department level will increase the efficiency and speed of the procurement process. This will also reduce the volume of routine procurement matters going to the Board. Typically, these requests to the Board do not attract testimony and pass unamended. The Chairperson, Divisions, and Offices would retain the discretion to continue to submit any contract for Board approval to keep the Board informed of program development or provide an additional public forum for information and discussion on the project. It is noted that some contracts are not covered in the scope of this submittal because they implement programs that statutorily have different source selection processes that require Board approval. Some examples are the Legacy Land Conservation Program (Ch. 173D), the Natural Area Partnership Program (Ch. 195), and the Forest Stewardship Program (Ch. 195F).

CHAPTER 343 -ENVIRONMENTAL ASSESSMENT:

All projects will comply with applicable provisions of HRS Chapter 343 and Title 11, Chapter 200, Hawaii Administrative Rules (HAR). We ask the Board to delegate to the Chairperson the authority to declare a project exempt from the preparation of an EA per the Exemption List for the Department of Land and Natural Resources, approved by the Environmental Council on November 10, 2020, or to approve an EA and issue a Finding of No Significant Impact for projects in which an EA was prepared and resulted in such findings. All projects for which an environmental impact statement was prepared will be presented to the Board. FONSI and declarations of exemption are publicly

disseminated by regularly scheduled filings with the Office of Planning and Sustainable Development.

RECOMMENDATION:

That the Board of Land and Natural Resources:

- 1) Delegate authority to the Chairperson to approve, procure, award, sign, execute, amend, and extend indefinite quantity contracts procured through Chapter 103D, Hawaii Revised Statutes.
- 2) Delegate authority to the Chairperson to declare a project covered by this request exempt from the preparation of an EA or to approve an EA and issue a FONSI, if appropriate, and authorize the Chairperson to sign the necessary documents pertaining to the individual project to make such a declaration.

Respectfully submitted,



David G. Smith, Administrator
Division of Forestry and Wildlife

APPROVED FOR SUBMITTAL:



Dawn N. S. Chang, Chairperson
Board of Land and Natural Resources