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STATE PROCUREMENT OFFICE  
NOTICE OF AMENDMENT TO EXEMPTION FROM CHAPTER  
103D, HRS, CONTRACT

STATE PROCUREMENT OFFICE  
STATE OF HAWAII

1. TO: Chief Procurement Officer  
2. FROM: Department of Commerce & Consumer Affairs/CATV  
Department/Division/Agency  
3. Name of Contractor: See attachment sheet

4. P.E. Reference No. 06-064-1

5. Description of goods, services, or construction:  
Cable television public, educational, and governmental ("PEG") access services

6. Scope of work for the contract is revised as follows:  
Request to extend procurement exemption for an additional six (6) month period (i.e., from January 1, 2010 to June 30, 2010)

Original Contract Price: \$See attachment      Amended Contract Price: \$See attachment

7. Reason: This / These amendment(s) are necessary because:  
See Attachment Sheet to 06-064-1

8. Direct questions to: Clyde S. Sonobe      Phone: 586-2620

Agency shall ensure adherence to applicable administrative and statutory requirements.

9. *Pursuant to § 103D-102, HRS, and § 3-120-5, HAR, I certify that the information provided above is, to the best of my knowledge, true and correct*

Lawrence M. Rejzler  
Department Head

11/19/09  
Date

10. Date Posted: 11/24/09

11. Submit written objections to this notice of intent to amend a procurement exemption contract 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

Chief Procurement Officer's Comments:

12.  APPROVED  DISAPPROVED

Chief Procurement Officer

Date

13. P.E. No.

06-064-1/B  
amd. 6

3. Name of Contractor(s):

Currently, the Department of Commerce and Consumer Affairs ("**DCCA**") has contracts with the following PEG access organizations for the provision of PEG access services in the State:

- a. Olelo Community Television ("**Olelo**") on Oahu;
- b. Akaku: Maui Community Television ("**Akaku**") on Maui;
- c. Hoike: Kauai Community Television ("**Hoike**") on Kauai; and
- d. Na Leo O Hawaii ("**Na Leo**") on Hawaii.

6. Original Contract Price Received in 2009	Amended Contract Price for period Anticipated operating fees for 2010
a. Olelo -- \$4,549,696	½ of 3% of cable operator's annual gross revenue for respective franchise area
b. Akaku -- 1,112,194	
c. Hoike -- 496,678	
d. Na Leo -- 1,012,504	

7. Reason: This/These amendment(s) are necessary because:

In late 2005, it was determined that DCCA's PEG access services contracts were subject to the State's Procurement Code ("**Code**") unless one of the exemptions in HRS section 103D-102(b) applied.

In February 2006, and in light of that determination, DCCA held public comment meetings throughout the state to obtain public input on whether to issue an RFP or seek an exemption from the Code for PEG access service contracts. After considering the public comments received, DCCA submitted a "Notice of and Request for Exemption from Chapter 103D, HRS" to the State Procurement Office ("**SPO**") on April 10, 2006. The SPO reviewed DCCA's exemption request and subsequently determined that the PEG access services contracts should be awarded in accordance with the Code. However, to ensure that PEG access services would continue to be provided to the public until the new contract(s) were awarded, the SPO approved DCCA's exemption request from July 1, 2006 to June 30, 2007 to complete the competitive procurement process in accordance with HRS chapter 103D.

On November 22, 2006, on behalf of DCCA, the SPO issued a Request for Information ("**RFI**") to obtain the public's comments on and suggested amendments to a draft Request For Proposals ("**RFP**") for PEG access services. In December 2006, DCCA held public comment meetings on Oahu, Hawaii,

