

**REQUEST FOR REIMBURSEMENTS  
No. CREP-CE-2014**

**HAWAII CREP  
CONSERVATION EASEMENT DUE DILIGENCE REIMBURSEMENT  
FOR ELIGIBLE PROJECTS**

DUE BY 4:00 PM (HST) on April 14, 2014

TO THE  
State Department of Land and Natural Resources  
Division of Forestry and Wildlife  
1151 Punchbowl Street, Room 325  
Honolulu, Hawaii 96813

Requests must be delivered by the above deadline and designated location. Timely receipt of requests shall be evident by the date and time registered by the Division of Forestry and Wildlife time stamp clock; proposals postmarked by **April 14, 2014** but not received by location will not be considered for award and will be returned to Applicant unopened. Please account for postal and routing delays when submitting via a postal service. Please submit final proposals to both points of contacts for this solicitation.

**Registration and Inquires**

If you intend to respond to this request for proposals, please contact Irene Sprecher at the address below, or by phone at (808) 587-4167, or email [Melissa.I.Sprecher@hawaii.gov](mailto:Melissa.I.Sprecher@hawaii.gov) to register your interest otherwise you will not receive notification of any changes or addendums. You may also contact Marissa Chee at the address below, or by email at [Marissa.M.Chee@hawaii.gov](mailto:Marissa.M.Chee@hawaii.gov).

The primary contact for this request is:

Irene Sprecher  
Cooperative Resource Forester  
1151 Punchbowl Street, Room 325  
Honolulu, HI 96813  
Phone: (808) 587-4167  
Fax: (808) 587-0160  
[melissa.i.sprecher@hawaii.gov](mailto:melissa.i.sprecher@hawaii.gov)

Marissa Chee  
Forestry Planner  
1151 Punchbowl Street  
Honolulu, HI 96813  
Phone: (808) 587-4186  
Fax: (808) 587-0160  
[marissa.m.chee@hawaii.gov](mailto:marissa.m.chee@hawaii.gov)

## **1. INTRODUCTION**

The State of Hawaii, Department of Land and Natural Resources (Department) is pleased to announce a request for reimbursements of due diligence costs for eligible conservation easement projects that further the goals, objectives, and purpose of the Hawaii Conservation Reserve Enhancement Program (CREP). Due diligence costs may include, but is not limited to, cost associated with baseline documentation reports, Environmental Site Assessment (Phase 1), Appraisals, mineral rights reports, surveys, mapping, title reports, among others. The request for reimbursement is open to all qualified participants and entities, and evaluation and selection will be based on comparative evaluation criteria. Multiple awards may be made under this request and all awards under this request are subject to availability of funds. The Department's Division of Forestry and Wildlife (DOFAW) will evaluate all submitted reimbursement proposals and manage any of those selected for award. Copies of this request are available at 1151 Punchbowl Street Room 325, Honolulu, Hawaii 96813 or by contacting Irene Sprecher at [melissa.i.sprecher@hawaii.gov](mailto:melissa.i.sprecher@hawaii.gov)

## **2. CANCELLATION**

This request may be cancelled and any or all proposals rejected in whole or in part, without liability, when it is determined to be in the best interest of the State.

## **3. HAWAII CONSERVATION RESERVE ENHANCEMENT PROGRAM**

The Hawaii CREP is a 20-year incentive program administrated by the State of Hawaii and the U.S.D.A. Farm Service Agency (FSA) and Natural Resource Conservation Service (NRCS). The program encourages farmers and ranchers to voluntarily remove sensitive lands from production and enact watershed conservation practices for the purpose/objective of increasing groundwater recharge, restoring native habitat, controlling the spread of invasive species, enhancing stream water quality, reducing coral reef degradation and enhancing near shore coastal waters. Eligible lands for the Hawaii CREP include agriculturally productive lands on the islands of Hawaii, Maui, Molokai, Lanai, Oahu, and Kauai. Under the Hawaii CREP Agreement, funds may be available to assist with conservation easements in CREP eligible areas that further the goals and objectives of the program. More information on Hawaii CREP is available at [www.hawaii.gov/dlnr/dofaw/crep](http://www.hawaii.gov/dlnr/dofaw/crep).

## **4. SCOPE OF WORK**

The Department's principal objective for this request is to further the Hawaii CREP goals and objectives through the establishment of conservation easements on eligible lands. The Hawaii CREP's primary purpose is to support the restoration of degraded agricultural lands. Under this program, the Department may provide funding support for eligible conservation easement acquisitions or donations that further the goals, objectives, and purpose of the program. Thus the Department has directed funding to assist with due diligence costs associated with conservation easements on CREP eligible areas that have or are likely to close during this state fiscal year, FY14 (July 1, 2013 to June 30, 2014). Eligible due diligence costs may include, but are not limited to, cost associated with baseline documentation reports, Environmental Site Assessment (Phase 1), appraisals, mineral rights reports, surveys, mapping, title reports, among others. Cost associated with due diligence are eligible for reimbursement under Hawaii CREP provided that an eligible entity or landowner, as detailed in Section 5, purchased or originally funded the procurement of such services or documents. The awarded applicant(s) will be require to submit a copy of the due diligence materials that are requested for reimbursement. Conservation

easements must be in the inline with Hawaii CREP goals, objectives, and purpose including the promotion of conservation and restoration of degraded agricultural lands that will in turn improve water quality and quantity; expand threatened, endangered and rare species habitat; increase groundwater recharge; restore native species habitat; control invasive species; and/or improve near shore coral reef health and diversity.

## **5. ELIGIBILITY REQUIREMENTS**

Under this request, applicants must meet the following requirements to be eligible for award.

- 5.1** Applicant must be a nonprofit (501-c3) land trust organization legally capable of purchasing land for conservation purposes, or a private landowner working with an eligible nonprofit or government organization that will hold their conservation easement. Private landowners interested in reimbursement of costs associated with their conservation easement due diligence must also apply through their associated nonprofit entity for reimbursement.
- 5.2** The conservation easement must further the goals, objectives, and purpose of Hawaii CREP.
- 5.3** The conservation easement project must be completed or is anticipated to close during this state fiscal year, FY14 (July 1, 2013 to June 30, 2014). Please include the date that the easement acquisition was recorded or is anticipated to close.
- 5.4** The land under the conservation easement must meet the basic eligibility requirements for Hawaii CREP including that the land must be physically and legally capable of being agricultural productive (Note: the conservation easement may restrict agricultural production on the subject property).
- 5.5** Applicants must be willing to provide such information as easement restrictions or terms, project location, total cost of project, and acreage of the conservation easement. Additionally, applicants must be willing to provide a copy of the due diligence material that is being requested for reimbursement upon award after a notice to proceed is issued. Hawaii CREP may use this information for program reporting purposes.

The applicant must submit information detailing how they meet each of the above eligibility requirements. **Note:** the awarded applicant(s) must also submit compliance information as detailed in Section 8.

## **6. SUBMISSION REQUIREMENTS**

Please submit reimbursement requests to DOFAW by April 14, 2014 at 4:00pm Hawaii Standard Time (HST) at the addresses listed on the cover page. Requests must be received at the location by April 14, 2014 at 4:00pm HST to be considered for award; this shall be evidenced by a DOFAW time stamp clock or email documented time. Submitted requests shall include a transmittal cover letter signed in ink by the applicant who has the authority to officially submit the proposal. Please include on the cover letter a point of contact, title of the conservation easement project, acquisition closing date, and the due diligence material(s)

requested for reimbursement. Please account for postal and routing delays when submitting via postal mail. Requests may also be submitted via email to [melissa.i.sprecher@hawaii.gov](mailto:melissa.i.sprecher@hawaii.gov) and [marissa.m.chee@hawaii.gov](mailto:marissa.m.chee@hawaii.gov).

This section outlines conditions and considerations that should be incorporated into proposals made in response to the request for reimbursement. Proposals that do not comply with all the stated minimum acceptable conditions may be eliminated from further consideration.

- 6.1 General Procedures and Submission Deadline.** Requests shall be prepared in English. If submitting via postal mail or for hand delivered requests, please use a sealed package that state somewhere on the outside the following: “**Hawaii CREP Reimbursement Request Enclosed**.” For emailed requests please include “**Hawaii CREP Reimbursement Request Enclosed**” in the subject of the email. All financial information shall be provided in U.S. dollars. All correspondence and submittals relating to this request for reimbursement shall be made to the addresses provided below. Only typed, written responses to requests shall be considered official. It is the responsibility of the applicant to ensure that all required submittals are received on time.

Submittal address: Division of Forestry and Wildlife  
Cooperative Resource Forester  
1151 Punchbowl Street, Room 325  
Honolulu, Hawaii 96813  
ATTN: Irene Sprecher

[melissa.i.sprecher@hawaii.gov](mailto:melissa.i.sprecher@hawaii.gov)  
[marissa.m.chee@hawaii.gov](mailto:marissa.m.chee@hawaii.gov)

- 6.2 Eligibility Requirements.** All requests for reimbursement shall include a statement and associated documentation on how the applicant meets the eligibility requirements as detailed in Section 5.
- 6.3 Detailed Description of Reimbursement Request.** All requests for reimbursement shall include a detailed description of the due diligence material and costs that are being requested for reimbursement, including the need for, costs, and how the material was originally procured (ie: purchased by the nonprofit or landowner). *Note: for due diligence materials obtained through in-house expertise, the applicant must supply detailed accounting for time and associated costs of the due diligence.* Please clearly identify each separate item of due diligence that is requested for reimbursement, as applicable. The Department may fund part or all of a submitted proposal requests based on availability of funding and especial in cases where an applicant requests reimbursement for more than one item of due diligence. The applicant must also fill out and submit the SPO-10a attached to this request along with other supporting material as detailed in this request for reimbursement.
- 6.4 Description of Conservation Easement Project.** Applicants must provide a statement and supporting documentation of how the conservation easement furthers or promotes the

goals, objectives, and purpose of Hawaii CREP. Please provide a brief description of the subject project site and the intended management for the land under the conservation easement. Submitted request must state whether the conservation easement was a bargain purchase and/or donation to the eligible entity. The project description must also include information on the restrictions under the conservation easement, location of the easement (including physical address and tax map key information), total cost of project, and acreage under the conservation easement.

*Note: Financial information submitted to the Department shall be kept confidential and will be treated consistently with HRS Chapter 92. Consistent with HRS Chapter 92, financial information shall not be released without the expressed written consent of the applicant.*

## **7. SELECTION PROCESS AND COMPARABLE EVALUATION CRITERIA**

This section describes the selection process and outlines the criteria to be used in the selection process.

- 7.1 Evaluation Committee.** An Evaluation Committee will make all recommendations on decisions regarding the evaluation, the acceptability of requests for comparative evaluation, and the selection of request proposal(s), if any. The Evaluation Committee may be assisted by other parties that are involved in the Hawaii CREP including representatives from FSA, NRCS, or other officers, employees, and agents of the State.
- 7.2 Opening of Proposals and Confidentiality of the Evaluation Process.** Proposals will not be publicly opened. Only the members of the Evaluation Committee or State Personnel having legitimate interest in this procurement will be provided access to the proposals and evaluation results during the evaluation period. All proposals, evaluation worksheet and subsequent Best and Final Offer, if any, and including documentation, correspondence and meetings, will be kept confidential until after the award. All proposals will be made public only after the review and selection process is completed.
- 7.3 COMPARATIVE EVALUATION CRITERIA.** The criteria to be used in the comparative evaluation process and the relative weight/significance assigned to each criteria is detailed below. Each proposal request will be evaluated as to its conformance with the weighted criteria (totaling 100%). The goal of the comparative evaluation process is to select the “best” proposal(s) based on a set of defined criteria. The criteria to be used in the comparative evaluation process are divided into five groups:
  - 7.3.1 Conservation Easement Project.** The conservation easement projects relevance to Hawaii CREP, including the goals, objectives, and purpose of the program. (weight: 40%)
  - 7.3.2 Location.** The land under the conservation easement is within Hawaii CREP eligible area and the land may be further eligible for enrollment into additional components of Hawaii CREP. (weight 35%)
  - 7.3.3 Conservation Easement Terms.** The conservation easement restrictions and protection afforded by the easement are inline Hawaii CREP goals, objectives,

and purposes. (weight 15%)

**7.3.4 Easement Status.** The status of the conservation easement; ie: whether or not the easement acquisition is closed and/or the projected closing date is within the State FY11. (weight 5%)

**7.3.5 Total Cost.** The total cost per acre of the conservation easement including both acquisition funding, if any, and associated due diligence costs. (weight 5%)

**7.4 Compliance with Minimum Criteria.** Proposals will be reviewed for conformance with the instructions and requirements of this request for reimbursement. Those proposals meeting the minimum criteria will be eligible for a priority list for funding. Discussions may be held with “priority-listed” applicants. The objective of these discussions is to clarify issues regarding the applicant’s proposal and reimbursement request.

**7.5 Acceptance/Rejection of Proposals.** The State reserves the right to reject any or all proposals, to undertake discussions with one or more applicants, and to accept that proposal or a modified proposal which, in its judgment, will be most advantageous to the State and the selection criteria considered. The State also reserves the right to waive any defects or accept all or portion of any proposal.

**7.6 Method of Award.** The Evaluation Committee will review all of the requests that meet the minimum eligibility criteria listed in Section 5 and 6; and rank them according to the comparative evaluation criteria, as detailed in Sections 7.3. The Evaluation Committee will then enter into discussions with the applicant(s) to verify and clarify said proposal(s) and to discuss the final terms and reimbursement for approval. The Evaluation Committee will award, if any, one or more proposals at the end of the evaluation period.

**7.7 Notification.** All applicants will be notified of award determinations via U.S. Postal Service. If receiving an award letter, please note that this letter does NOT constitute a release of funds. Once a contract is executed, DOFAW will issue a Notice to Proceed.

**7.8 Proprietary Information.** If proprietary data or information is included in the proposals, please identify appropriate sections with a label stating “Proprietary Information.” Unless otherwise identified as “Proprietary Information,” your proposal and contract become public documents and are available for public inspection once awards are posted. Additionally, all photos developed/used/submitted for this request for reimbursement becomes property of DOFAW.

## **8. RESPONSIBILITY OF APPLICANT**

Reference §103D-310(c), HRS. If compliance documents have not been submitted to the Department prior to award, prospective Applicant(s) shall be asked to produce documents to the procurement officer to demonstrate compliance with this section.

**8.1 HRS Chapter 237 Tax Clearance Requirement for Award -** Instructions are as follows:

Pursuant to §103D-328, HRS, prospective Applicant(s) shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service

(IRS). The certificate shall have an original green certified copy stamp and shall be valid for six (6) months from the most recent approval stamp date on the certificate. It must be valid on the date it is received by the Department of Land and Natural Resources, DOFAW.

The tax clearance certificate shall be obtained on the State of Hawaii, DOTAX TAX CLEARANCE APPLICATION Form A-6 (Rev. 2003) which is available at DOTAX and IRS offices in the State of Hawaii or the DOTAX website, and by mail or fax:

DOTAX Website (Forms & Information):

[http://www.hawaii.gov/tax/a1\\_1alphalist.htm](http://www.hawaii.gov/tax/a1_1alphalist.htm)

DOTAX Forms by Fax/Mail:

(808) 587-7572 OR 1-800-222-7572

Completed tax clearance applications may be mailed, faxed, or submitted in person to the Department of Taxation, Taxpayer Services Branch, to the address listed to the application. Facsimile numbers are:

DOTAX: (808) 587-1488

IRS: (808) 539-1573

The application for the clearance is the responsibility of the Applicant, and must be submitted directly to DOTAX or IRS and not to the Department of Land and Natural Resources, Division of Forestry and Wildlife. However, the tax clearance certification shall be submitted to the Department of Land and Natural Resources, DOFAW.

## **8.2 HRS Chapters 383 (Unemployment Insurance), 386 (Workers' Compensation), 392 (Temporary Disability Insurance), and 393 (Prepaid Health Care) requirements for award - instructions are as follows:**

Pursuant to §103D-310(c), HRS, prospective Applicant(s) shall be required to submit a certification of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue and must be valid on the date it is received by the Department of Land and Natural Resources, DOFAW. A photocopy of the certificate is acceptable to the Department of Land and Natural Resources, DOFAW.

The certificate of compliance shall be obtained on the State of Hawaii, DLIR APPLICATION FOR CERTIFICATE OF COMPLIANCE WITH SECTION 3-122-112, HAR, Form LIR#27 which is available at: <http://hawaii.gov/labor/formsall.shtml> or at the neighbor island DLIR District Offices. The DLIR will return the form to the Applicant who in turn shall submit it to the Department of Land and Natural Resources, DOFAW.

The application for the certificate is the responsibility of the Applicant, and must be submitted to the Department of Land and Natural Resources, Division of Forestry and Wildlife. However, the certificate shall be submitted to the Department of Land and Natural Resources, DOFAW.

## **8.3 Compliance with Section §103D-310(c), HRS, for an entity doing business in the State - Prospective Applicant(s) shall be required to submit a CERTIFICATE OF GOOD STANDING (Certificate) issued by the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division (BREG). The Certificate is valid for six (6) months from the date of issue and must be valid on the date it is received by the Department of Land and Natural Resources, DOFAW. A photocopy of the certificate is acceptable to the Department of Land and Natural Resources, DOFAW.**

To obtain the Certificate, the Applicant(s) must first be registered with the BREG. A sole proprietorship, however, is not required to register with the BREG, and therefore not required to submit the certificate. On-line business registration and the Certificate are available at [www.BusinessRegistration.com](http://www.BusinessRegistration.com). To

register or obtain the Certificate by phone, call (808) 586-2727 (M-F 7:45 to 4:30 HST). Applicants are advised that there are costs associated with registering and obtaining the Certificate.

**8.4 Hawaii Compliance Express** - Alternately, instead of separately applying for these certificates at the various state agencies, vendors may choose to use the Hawaii Compliance Express (HCE), which allows businesses to register online through a simple wizard interface at <http://vendor.ehawaii.gov> to acquire a “Certificate of Vendor Compliance.” The HCE provides current compliance status as of the issuance date. The “Certificate of Vendor Compliance” indicating that vendor’s status is compliant with the requirements of §103D-310(c), HRS, shall be acceptable for both contracting purposes and final payment. Vendors that elect to use the new HCE services will be required to pay an annual fee of \$15.00 to the Hawaii Information Consortium, LLC (HIC). Vendors choosing not to participate in the HCE program will be required to provide the paper certificates as instructed in the sections previous to this one.