

#### HAWAII COMMUNITY DEVELOPMENT AUTHORITY

# DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM STATE OF HAWAII

INVITATION FOR BIDS (IFB No. HCDA 02-2019)

# FURNISH REFUSE COLLECTION SERVICES FOR KEWALO BASIN HARBOR AND 59 AHUI STREET

Located at:

Kakaako, Oahu, Hawaii

APPROVED:

Aedward Los Banos Executive Director Date: June 17, 2019

# **TABLE OF CONTENTS**

SECT	TON ONE - INTRODUCTION AND SIGNIFICANT DATES	
1.1	TERMS AND ACRONYMS	
1.2	INTRODUCTION	5
1.3	SCHEDULE	
1.4	HCDA POINT OF CONTACT	
<b>SECT</b>	ION TWO - SPECIFICATIONS	6
2.1	SCOPE OF WORK	6
2.2	COLLECTION AND DISPOSAL	
2.3	EQUIPMENT	
2.4	CONTAINERS	6
2.5	MAINTENANCE OF CONTAINERS	
2.6	COLLECTION AND SERVICE SCHEDULE	
2.7	AVERAGE CUBIC YARD PER MONTH	
2.8	TERM OF CONTRACT	
2.9	CONTRACT EXTENSION	
2.10	GENERAL REQUIREMENTS	
2.11	ALLOWANCE LINE ITEMS	10
2.12	PERFORMANCE MONITORING AND INSPECTIONS	
	TION THREE - SPECIAL PROVISIONS	
3.1	BIDDER QUALIFICATIONS	
3.2	PRE-BID CONFERENCE, ADDENDA AND CLARIFICATIONS	
3.3	SITE INSPECTION	
3.4	BID PREPARATION	
3.5	SUBMISSION OF BID	
3.6	RESPONSIBILITY OF BIDDERS:	
3.7	CERTIFICATION OF INDEPENDENT COST DETERMINATION	
3.8	DISQUALIFICATION OF BIDS	
3.9	CANCELLATION OF SOLICITATIONS AND REJECTION OF BIDS	
3.10	CAMPAIGN CONTRIBUTIONS BY STATE AND COUNTY CONTRACTORS	
3.11	STATUTORY REQUIREMENTS OF SECTION 103-55, HRS	
3.12	PAYROLL AFFIDAVITS	
3.13	LIABILITY INSURANCE	18
3.14	CONTRACT PRICE ADJUSTMENT PURSUANT TO SECTION 103-55, HRS	
3.15	AWARD OF CONTRACT	
3.16	EXECUTION OF CONTRACT	
3.17	PERMITS, LICENSES, AND TAXES	
3.18	NOTICE TO PROCEED	
3.19	INVOICING	
3.20	PAYMENT	
3.21	ENVIRONMENTAL POLLUTION CONTROL	
3.22	RE-EXECUTION OF WORK	
3.23	REMOVAL OF CONTRACTOR'S EMPLOYEES	
3.24	RIGHTS AND REMEDIES FOR DEFAULT	
3.25	LIQUIDATED DAMAGES	24

SECTION FOUR - ATTACHMENTS	25
ATTACHMENT 1 - Bid Offer Forms, BF-1 to BF-7	
ATTACHMENT 2 - Map of Kewalo Basin Harbor	
ATTACHMENT 3 - Position Class Specifications/Minimum Qualifications	
ATTACHMENT 4 - AG-008 103D General Conditions	

## **SECTION ONE - INTRODUCTION AND SIGNIFICANT DATES**

#### 1.1 TERMS AND ACRONYMS

AG = State of Hawaii, Department of the Attorney General

Form AG-008 = State of Hawaii Department of the Attorney General

General Conditions Form

Bidder = Any individual, partnership, firm, corporation, joint venture,

or other entity submitting directly or through a duly authorized representative or agent, a bid for the goods,

services, or construction contemplated

COGS = Certificate of Good Standing

Contractor = The Bidder awarded a contract under this Electronic

Invitation for Bid

GET = General Excise Tax

HAR = Hawaii Administrative Rules

HCDA = Hawaii Community Development Authority, a body

corporate and public instrumentality of the State of

Hawaii

HCE = Hawaii Compliance Express

HIePRO = State of Hawaii Electronic Procurement System

HRS = Hawaii Revised Statutes

HST = Hawaii Standard Time

IFB = Invitation for Bids

SPO = State of Hawaii Procurement Office

STATE = State of Hawaii, including its departments, agencies,

and political subdivisions

#### 1.2 INTRODUCTION

The Hawaii Community Development Authority (HCDA) a body corporate and public instrumentality of the State of Hawaii attached to the State of Hawaii's Department of Business, Economic Development & Tourism is the property owner of Kewalo Basin Harbor, Honolulu, Hawaii.

The HCDA requires the services of a Contractor to provide refuse collection and disposal service for Kewalo Basin Harbor and Ahui Street. The Contractor shall furnish all labor, equipment, tools, supplies, materials and supervision necessary for refuse collection and disposal services at these locations. See Attachment 3, Map of Kewalo Basin Harbor.

#### 1.3 SCHEDULE

HIePRO Posting/Procurement Notice System (PNS):	Monday, June 17, 2019
Informational Pre-Bid Conference:  HCDA 547 Queen Street Honolulu, Hawaii 96813 First Floor Community Meeting Room	Thursday, June 20, 2019 10:00 a.m.
Deadline to Submit Written Inquiries:	Tuesday, June 25, 2019 10:00 a.m.
Response to Written Inquiries	Wednesday, June 26, 2019 4:30 p.m.
Deadline for Solicitation:	Monday, July 1, 2019 Noon, 12:00 p.m.
Anticipated Contract Start Date	Thursday, August 1, 2019

#### 1.4 HCDA POINT OF CONTACT

The HCDA Point of Contact for this Invitation for Bids (IFB) is Lindsey Doi, HCDA Asset Manager, or her designated representative, either of whom may be contacted at:

Phone: (808) 594-0300 Fax: (808) 594-0299

Email: dbedt.hcda.contact@hawaii.gov

#### **END OF SECTION**

# **SECTION TWO - SPECIFICATIONS**

#### 2.1 SCOPE OF WORK

The Contractor shall furnish all labor, transportation, equipment, and refuse containers necessary to collect and dispose of refuse for Kewalo Basin Harbor and 59 Ahui Street, in accordance with Section 2.6 Collection and Service Schedule.

The HCDA reserves the right to add new or existing areas to the Contract at the contract cubic yard price. (See Section. 2.7 Average Cubic Yard Per Month).

#### 2.2 COLLECTION AND DISPOSAL

- Containers shall be emptied completely during collection, with a minimum of spillage of dust or solids. Spillage of any type shall be completely picked up by the Contractor and the areas left broom cleaned and free of any debris and rubbish.
- 2. Empty refuse containers shall be replaced at their stations in a condition that will be safe and accessible to the users.
- Contractor shall dispose of all refuse collected by transporting to disposal sites that meet the requirements of local ordinance and regulations applicable to refuse disposal.

#### 2.3 EQUIPMENT

Vehicles and equipment used by Contractor to collect and remove the refuse shall at all times be clean and well maintained, both mechanically and in appearance. All equipment used to collect and remove refuse shall be covered to prevent littering.

#### 2.4 CONTAINERS

- Locations of current containers are listed in Section 2.6 Collection and Service Schedule and labeled on Attachment 3, Map of Kewalo Basin Harbor. Should additional containers be needed, the placement of the containers will be determined by the HCDA.
- 2. Containers shall be of six (6) cubic yard capacity, except for one (1) three (3) cubic yard container located 59 Ahui Street (See Section 2.6 Collection Schedule and Attachment 3 Map of Kewalo Basin). Larger or smaller cubic

- yard containers may be used only with the approval of the HCDA. The HCDA reserves the right to increase or decrease the number of containers If necessary.
- Containers shall be an authorized front load dumpster with casters and plastic covers that can be easily opened, closed and locked. The HCDA may require substitution of damaged, defective or unsanitary containers at no additional cost to the HCDA.
- 4. If the Contractor awarded this contract is not the Vendor currently providing the refuse collection service at Kewalo Basin Harbor and 59 Ahui Street, all refuse containers must be delivered to the site locations on or before the end of the month preceding the Notice to Proceed date to prevent any interruption of service to the facilities.
- 5. All containers installed at the start of the contract period upon the Notice to Proceed and upon the commencement of any extended contract period, shall be clean, uniformly and freshly painted, and in good repair. In the event the present Contractor is awarded the contract, containers presently at the designated sites must meet this requirement.
- 6. Contractor shall maintain an ample supply of spare containers to serve as replacements or additions, so refuse can be handled without delay.
- 7. Contractor will not be responsible for the condition of any container that has been maliciously burned.

#### 2.5 MAINTENANCE OF CONTAINERS

- Contractor shall wash and deodorize all containers at least twice a month.
- 2. Contractor shall oil movable parts (hinges and casters, etc.) at least once a quarter, or sooner if necessary.
- 3. Equipment, water, and materials needed to perform required maintenance shall be furnished by the Contractor.
- 4. Contractor shall keep containers in good repair and appearance at its own expense.
- 5. Any container deemed undesirable by the HCDA shall be replaced with an acceptable container within three (3) calendar days of notification that the container is unacceptable. Contractor shall respond within three (3) working days after receiving notification of an undesirable container by reporting to the HCDA of the action taken to correct the deficiency.

- Failure of the Contractor to provide replacement for an undesirable container within three (3) calendar days of notification as specified in item 5 above shall be deemed sufficient cause for assessing a penalty of \$20.00 per day, per container.
- 7. If and when it is deemed necessary and requested by the HCDA, the Contractor shall be required to furnish locks and spare keys to the HCDA at all or specified locations at no additional cost to the HCDA.

#### 2.6 COLLECTION AND SERVICE SCHEDULE

 Collection day(s) shall be arranged with the HCDA in accordance with the Service Schedule below. Changes in days designated for collection and disposal service may be made, provided prior written approval is received from the HCDA.

Location	# of cu. yd. Containers	Pickups per Week	Max cu. yd. per week	Max cu. yd. per year
Kewalo Basin Harbor Harbor Master's Office	1 (6 cu.yd.)	6	36	1872
Kewalo Basin Harbor Charter Boat Building	1 (6 cu.yd.)	6	36	1872
Kewalo Basin Harbor Diamond Head Parking Lot	1 (6 cu.yd.)	6	36	1872
59 Ahui Street	1 (3 cu.yd.)	1 or less as needed	3	156

Total Maximum Cubic Yards Per Year: 5,772

Average Cubic Yards Per Month: 481

- 2. Contractor shall submit, no later than ten (10) days after the "Notice of Award" is issued, a complete time schedule for each location listed herein, for approval by the HCDA. Contractor shall schedule pickups such that pickups are done approximately the same time of each day, consistently throughout the contract.
- 3. Collections will NOT be scheduled earlier than 6:00 a.m. and all pickups will be completed no later than 6:00 p.m. of the scheduled pickup day. No night trash pickups shall be allowed unless pre-approved by the HCDA.
- 4. If for any reason collection is not made as scheduled, Contractor shall be given twenty-four (24) hours to "make up" a collection without being penalized. If "make up" collection is not made within twenty-four (24) hours, a penalty of TWENTY DOLLARS (\$20) per day per container will be deducted from the monthly invoice.

#### 2.7 AVERAGE CUBIC YARD PER MONTH

The Contractor will submit monthly invoices based on the average cubic yards per month multiplied by the current contracted price per cubic yard. The average cubic yards per month will be adjusted as the number of container increase/decrease or the frequency of pickup changes as approved by the HCDA through written authorization/contract modification.

The average number of cubic yards of refuse generated per month to be used in invoicing the HCDA each month is calculated as follows:

 $AV = X \div 12$  months

Where, AV = The average number of cubic yards per month used to invoice the HCDA each month; and

X = The total maximum number of cubic yards per year

In particular, charges for extra pickup service or overage fees shall be invoiced through the \$7,500 yearly allowance. Charges shall be based on the actual cubic yards multiplied by the current contracted price per cubic yard.

#### 2.8 TERM OF CONTRACT

The initial term of contract shall be for a thirty-six (36) month period commencing from the official date set forth on the Notice to Proceed letter issued by the HCDA.

#### 2.9 CONTRACT EXTENSION

Unless terminated and subject to availability of funds, the Contract may be extended without re-bidding, upon mutual agreement in writing between the HCDA and the Contractor, prior to the expiration date, for a period not to exceed two (2) additional twelve (12) month periods, or portions thereof; provided, however, the Contract price for the extended period shall not be increased above the bid price, subject to any price increase allowed by the Contract.

#### 2.10 GENERAL REQUIREMENTS

A. The Contractor shall perform all specified collection and disposal of trash in a safe manner in accordance with all City, State and Federal laws, rules, and regulations.

- All personnel employed by the Contractor shall be properly trained and wear company uniforms as supplied by the Contractor. The Contractor shall be responsible for all safety training of its employees.
- 2) All work performed by Contractor shall be performed in a manner safe to the public and employees. All equipment shall be in good working condition and operated in accordance with manufacturer's instructions and in a safe manner with all appropriate safety devices in place. Occupational Safety and Health Administration (OSHA) and Division of Safety and Health (DOSH) approved safety gear shall be worn by workers at all times when operating power equipment.
- B. The Contractor shall be responsive and responsible in the performance of the Scope of Work:
  - 1) Adequate personnel and equipment shall be provided to permit the timely completion of all work.
  - 2) The Contractor shall be responsible for the repair of all damage resulting from the Contractor's activities while working on site. If the Contractor is not able to make all required repairs, the HCDA reserves the right to contract for the necessary repairs and deduct the repair costs incurred from the Contractor's subsequent invoices.
  - 3) The Contractor shall provide a list of all phone numbers of personnel who can be contacted in case of an emergency. The Contractor shall provide initial response to call-out requests within two (2) hours of notification.
  - 4) The Contractor shall maintain order among its employees and shall ensure compliance with all rules and regulations. Courtesy and professionalism shall be demonstrated by Contractor and its employees to all HCDA staff and the general public at all times.

#### 2.11 ALLOWANCE LINE ITEMS

The Contract includes an allowance of seven thousand five hundred dollars (\$7,500) a year for work approved in writing by the HCDA ("allowance",) subject to HCDA's determination that such payment is reasonable and warranted under the Contract.

The allowance may be used for any overage fees and work above the regular scheduled pickup service as stated in Section 2.6 Collection and Service Schedule Section and 2.7 Average Cubic Yard Per Month.

#### 2.12 PERFORMANCE MONITORING AND INSPECTIONS

The performance of the work shall be monitored on an ongoing basis by the HCDA through personal observation, site inspections, and/or other methods. Monthly inspections may be scheduled at the locations listed. The Contractor or its designated representative shall be present at each scheduled inspection. The HCDA reserves the right to conduct periodic and unscheduled inspections at any time to observe and evaluate the work.

If the HCDA determines that all work has been performed in accordance with the Contract specifications, the HCDA shall indicate its acceptance of the work and shall process payment at the end of the month. If all or portions of the work are not acceptable to HCDA, payment may be withheld for all or a portion of the work until such work is completed and corrected to the satisfaction of HCDA.

**END OF SECTION** 

### SECTION THREE - SPECIAL PROVISIONS

#### 3.1 BIDDER QUALIFICATIONS

To assure the HCDA that the Bidder is capable of performing the work specified herein, Bidder must meet the following requirements at the time of bidding:

#### A. EXPERIENCE

At the time of bid submittal, Bidder shall have a minimum of three (3) collective years of experience in the performance of refuse collection work similar to this project in size and scope prior to bid opening that demonstrated the ability and responsibility to meet contractual requirements. Bidder shall indicate its number of years of experience on the appropriate Bid Form page.

#### B. REFUSE COLLECTION LICENSE

At time of the bid and throughout the contract period, Bidder must have an active City and County of Honolulu (C&C) Refuse Collection License on file with the C&C License Division. If Bidder fails to keep such license active during the contract period, contract shall be subject to cancellation. Bidder shall provide license number on the appropriate Bid Form page.

#### C. EVIDENCE OF APPLICABLE LICENSES

Certification(s) for the Bidder and/or their personnel shall be submitted with bids. Failure to submit proof of licenses with the bid shall result in the rejection of bid.

#### D. OFFICE/SERVICE FACILITY LOCATION

Bidder shall maintain a permanent office and service facility on the island of Oahu at the time of bidding and during the contract period from where Bidder conducts business during normal working hours and from where Bidder will be accessible to requests or complaints. Bidder must be able to verbally respond to the HCDA within two (2) hours of the initial call/request.

#### 3.2 PRE-BID CONFERENCE, ADDENDA AND CLARIFICATIONS

Prospective Bidders are encouraged to attend a pre-bid conference at the HCDA office, located at 547 Queen Street. The purpose of the meeting will be to discuss and explain the scope of work and basis for contract award. Impromptu questions shall be permitted at the Pre-Bid Conference and spontaneous answers provided. Verbal responses provided at the Pre-Bid Conference are intended as general information and do not represent the official position of the HCDA. The only official position of the HCDA is that which is stated in writing and issued as an Addenda to the IFB on the HIPRO website.

Failure of the Bidder to attend this meeting and to receive information discussed, which may be pertinent to the bid, shall not entitle the Bidder to seek additional payment later for any misunderstandings of the work specified herein.

The HCDA reserves the right to amend this IFB at any time prior to the bid closing date and time. IFB Amendments shall be in the form of Addenda and prospective Bidders shall be notified of amendments in writing transmitted via electronic mail, regular postal mail or online posting via HlePRO. Bidders are responsible for the information communicated via Addenda or bid clarification.

Bidders discovering an ambiguity, inconsistency or error when examining the bidding documents or the site and local conditions or Bidders with questions or clarification requests shall submit their written requests under the Question/Answers Section through HIePRO. All written questions will receive a written response from HCDA and published through HIePRO. Questions submitted via e-mail and facsimiles transmission shall not be accepted.

#### 3.3 SITE INSPECTION

Prior to submittal of a bid, Bidders shall visit the collection sites on their own to become thoroughly familiar with existing conditions, and the extent and nature of work to be performed. The site inspection is not mandatory; however, submission of a bid shall be evidence that the Bidder understands the scope of the project, the contract requirements, and agrees to comply with all contract requirements, including these specifications herein. No additional compensation will be made by reason or any misunderstanding or error regarding conditions at the services areas or the amount and type of work to be performed.

#### 3.4 BID PREPARATION

#### A. BID FORM-1

Bidder shall submit its respective bid under Bidder's legal name as registered with the State of Hawaii, Department of Commerce and Consumer Affairs. Failure to do so may delay HCDA's review of the bid

The Bidder's execution of the Bid Form page -1 shall constitute the Bidder's intent to be bound.

#### **B. TAX LIABILITY**

Work to be performed under this solicitation is a business activity taxable under Chapter 237, HRS, and Chapter 238, HRS, where applicable. Bidders are advised that the gross receipts derived from this solicitation are subject to the 4.5% general excise tax (GET) imposed by Chapter 237, HRS, and,

where applicable, to tangible property imported into the State of Hawaii for resale, subject to the use tax (currently 1/2 %) imposed by Chapter 238, HRS.

#### C. HAWAII GENERAL EXCISE TAX LICENSE

Bidders shall submit their current Hawaii GET I.D. number in the space provided on Bid Form-1, thereby attesting that the Bidder is doing business in the State and will pay such taxes on all sales made to the State of Hawaii.

#### D. BID PRICE

The bid price shall include labor, equipment, supplies, transportation, all applicable taxes and any other costs incurred to provide services as specified herein.

#### E. BID GUARANTY

A bid guaranty is not required for this solicitation.

#### F. INSURANCE

Bidder shall provide the requested insurance information on the Bid Form page-4 (B-4), where indicated.

#### G. REFERENCES

Bidder shall list on Bid Form page-3 (BF-3) where indicated, a minimum of two (2) companies or government agencies for which Bidder has provided or is currently providing services similar in nature to the services specified herein. The HCDA reserves the right to contact the references provided. The HCDA reserves the right to reject any Bidder who has performed unsatisfactorily on other jobs of a nature similar to those required by this IFB.

#### H. WAGE CERTIFICATE

Bidder shall complete and submit a Wage Certificate, Bid Form page-6 (BF-6), with its bid, as an attachment on HlePRO, by which the Bidder certifies that services required will be performed pursuant to §103-55, HRS.

I. EXTRA REFUSE COLLECTION SERVICES AND/OR OVERAGE ALLOWANCE. Bidder may be required to perform additional work. Such work shall be performed only at the direction and/or preapproval of the HCDA or its designated representative. The Contractor shall be reimbursed for allowance items after services are performed. An allowance amount of SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$7,500) per year for extra pickups or overage fees will be added to the TOTAL ANNUAL SUM BID when the Contract is prepared.

#### 3.5 SUBMISSION OF BID

Bidder must complete Bid Form Offer pages 1 to 6 (BF-1 to BF-6) and submit along with copies of Contractor's Refuse Collection License, and proof of insurance. Bid Form pages may be downloaded from the HIePRO website. (See Attachment 1).

All these documents must be submitted electronically, as an attachment, through the HlePRO. Bidders are responsible to ensure all forms required are attached when submitting a bid. Otherwise a responsive bid from a responsible Bidder may not receive the award.

Bids received outside of the HIePRO shall be rejected and not be considered for award.

#### 3.6 RESPONSIBILITY OF BIDDERS:

Bidder, if determined to be qualified and submitting the lowest responsive bid, is required to submit a "Certificate of Vendor Compliance" as proof of compliance with the requirements of §103D-310(c), HRS. This involves evidence of the following:

- 1. Chapter 237, tax clearance;
- 2. Chapter 383, unemployment insurance;
- 3. Chapter 386, workers' compensation;
- 4. Chapter 392, temporary disability insurance;
- 5. Chapter 393, prepaid health care; and
- 6. Chapter 103D-310(c), Certificate of Good Standing (COGS) for entities doing business in the State.

As proof of compliance, Bidders must furnish to the HCDA a current and valid Certificate of Vendor Compliance from the Hawaii Compliance Express (HCE) system. Bidder should register online with HCE prior to submitting a bid at <a href="https://vendors.ehawaii.gov">https://vendors.ehawaii.gov</a>. If Bidder is not compliant on HCE at the time of award, the Bidder will not receive the award.

The HCE is an electronic system that allows vendors/contractors/service providers doing business with the State to quickly and easily demonstrate compliance with applicable laws. It is an online system that replaces the necessity of obtaining paper compliance certificates from the Department of Taxation, Federal Internal Revenue Service, Department of Labor and Industrial Relations, and Department of Commerce and Consumer Affairs.

The HCDA shall verify Bidder's compliance on HCE. A Certificate of Vendor Compliance from the HCE is required for both the execution of contract and the final payment.

#### 3.7 CERTIFICATION OF INDEPENDENT COST DETERMINATION

By submission of a bid in response to this IFB, Bidder certifies as follows:

- 1. The costs in its bid have been arrived at independently, without consultation, communication, or agreement with any other Bidder, as to any matter relating to such costs for the purpose of restricting competition.
- Unless otherwise required by law, the costs in its bid have not been knowingly disclosed by the Bidder prior to award, directly or indirectly, to any other Bidder or competitor prior to the award of the contract.
- No other attempt has been made or will be made by the Bidder to indicate any other person or firm to submit or not to submit for the purpose of restricting competition.

#### 3.8 DISQUALIFICATION OF BIDS

The HCDA reserves the right to disqualify any Bidder if, in HCDA's discretion, the HCDA determines that the Bidder does not have the requisite experience or expertise to provide the services.

The HCDA reserves the right to consider as acceptable only those bids submitted in accordance with all requirements set forth in this IFB and which demonstrates an understanding of the scope of services. Any bid offering any other set of terms and conditions contradictory to those included in this IFB may be disqualified without further notice.

Bidder shall be disqualified if, for any prior solicitations by HCDA it has ever:

- 1) withdrawn its bid after HCDA has opened the bids; or,
- 2) if Bidder was awarded a contract but did not perform for the primary contract term.

#### 3.9 CANCELLATION OF SOLICITATIONS AND REJECTION OF BIDS

The solicitation may be canceled, or the bids may be rejected in whole or in part, when in the best interest of the purchasing agency, as provided in Section 3-122-96 through Section 3-122-97, HAR.

#### 3.10 CAMPAIGN CONTRIBUTIONS BY STATE AND COUNTY CONTRACTORS

Bidders should be aware that if awarded the contract, Section 11-355, HRS, prohibits campaign contributions from State or County government contractors during the term of the Contract if the contractors are paid with funds appropriated by a legislative body.

#### 3.11 STATUTORY REQUIREMENTS OF SECTION 103-55, HRS

Bidder is advised that Section 103-55, HRS, provides that the services to be performed shall be performed by employees paid at wages not less than wages paid to public officers and employees for similar work. Bidder is further advised that in the event of an increase in wage rates to public employees performing similar work during the contract period, Contractor will be obliged to provide wages no less than those increased wages.

Contractor shall be further obliged to notify its employees performing work under this contract of the provisions of Section 103-55, HRS, and of the current wage rates for public employees performing similar work. Contractor may meet this obligation by posting a notice to this effect in the Contractor's place of business in an area accessible to all employees, or the Bidder may include such notice with each paycheck of pay envelope furnished to the employee.

To assist the Bidder in determining whether the work of its employees performed under this contract is similar to work performed by public employees, Table 1 below provides class specifications and basic hourly wages paid to the public employee positions that perform similar services. (See also Attachment 3 for Position Class Specifications/Minimum Qualifications).

**Table 1**. State position class specifications and basic hourly wages, effective as of June 1, 2018.

Class Code	Class Title	Salary Range	Bargaining Unit (BU)	Hourly Rate
10.730	Truck Driver Laborer	BC 05	01	\$21.48
10.745	Heavy Truck Driver	BC 07	01	\$23.24

Accordingly, Bidder shall consider the aforementioned wage rates when preparing its quote. Bidder shall also submit a signed Wage Certificate, Bid Form page-7 (BF-7), as an attachment on HIePRO.

#### 3.12 PAYROLL AFFIDAVITS

Upon the HCDA's request, the Contractor will be required to submit quarterly payroll documentation to the HCDA for all employees working under the Contract. Documentation shall include employee time cards, payroll records, and copies of canceled checks to verify that Contractor's employees are being paid State of Hawaii prevailing wages for hours worked under the Contract.

#### 3.13 LIABILITY INSURANCE

The Contractor shall maintain in full force and effect during the life of this contract, liability and property damage insurance on an occurrence basis to protect the Contractor and his subcontractors, if any, from claims for damages for personal injury, accidental death and property damage which may arise from operations under this contract, whether such operations be by himself or by a subcontractor or anyone directly or indirectly employed by either of them. If any subcontractor is involved in the performance of the contract, the insurance policy or policies shall name the subcontractor as additional insured.

As an alternative to the Contractor providing insurance to cover operations performed by a subcontractor and naming the subcontractor as additional insured, Contractor may require subcontractor to provide its own insurance which meets the requirements herein. It is understood that a subcontractor's insurance policy or policies are in addition to the Contractor's own policy or policies.

The Contractor where appropriate, shall provide the following minimum insurance coverage(s) and limit(s):

Commercial General Liability:

\$1,000,000 per occurrence and \$2,000,000 in the aggregate

\$1,000,000 Completed Operations Aggregate Limit

\$1,000,000 Each Occurrence Limit

\$1,000,000 Personal & Advertising Limit

Umbrella Liability:

\$2,000,000 Aggregate

Worker's Compensation:

Coverage A: As required by Hawaii Laws

Coverage B: Employer's Liability

\$1,000,000 Bodily Injury by Accident Each Accident

\$1,000,000 Bodily Injury by Disease

\$1,000,000 Policy Limit and \$1,000,000 Each Employee

#### Automobile:

\$2,000,000 combined single limit OR \$1,000,000 bodily injury per person, \$1,000,000 bodily injury per accident, and \$1,000,000 property damage per damage.

Each insurance policy required by the Contract shall contain the following clauses:

- 1. "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after thirty (30) days written notice has been given to the HCDA, 547 Queen Street, Honolulu, Hawaii 96813."
- 2. "The State of Hawaii and HCDA their respective elected officials, officers, employees and volunteers are added as an additional insured as respects to operations performed for the HCDA/State of Hawaii."
- 3. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the contract, including supplemental agreements.

Upon Contractor's execution of the Contract, the Contractor agrees to deposit with the State of Hawaii certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this Contract have been complied with and to keep such insurance in effect and the certificate(s) therefore on deposit with the State during the entire term of this Contract. Upon request by the State, Contractor shall be responsible for furnishing a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under this contract, entitling the State to exercise any or all of the remedies provided in this contract for a default of the Contractor.

The procuring of such required insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Contractor shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this contract.

#### 3.14 CONTRACT PRICE ADJUSTMENT PURSUANT TO SECTION 103-55, HRS

At the release of this IFB, only the current wages of State employees performing similar work are known. Should their wages increase during any period of the contract, including supplements, the Contractor may request for increase in contract price if the current wages paid for similar positions are lower than wages paid to State employees. The increase requested must result in increase in wages to Contractor's employees performing the work herein, including any increase in costs for benefits required by law that are automatically increased as a result of increased wages, such as federal old age benefit, workers compensation, temporary disability insurance, unemployment insurance, and prepaid public health insurance.

The Contractor's request for increase must meet the following criteria:

- 1) At the time of a request, Contractor must provide documentation to show that it is in compliance with Section 103-55, HRS, i.e., its employees are being paid no less than the current wage of the State position listed herein. Documentation shall include the employees' payroll records and a statement that the employees are being utilized for this contract.
- 2) At the time of bidding, the Contractor must have specified on the appropriate Bid Form page, the percentage of the unit price that represents labor costs. If the Contractor fails to specify the percentage, the Contractor's request for increase will not be considered.
- Request for increase must be made in writing to the HCDA on a timely basis.
  - a) Request for increase for the initial contract period must be made as soon as practicable after the State wage agreements are made public.
     Approved request will be retroactive to the date of increase for the State employee.
  - b) Request for an increase for a supplemental period of the contract must be made prior to the start of the supplement. Contractor shall call the Point of Contact to obtain the current wage information.

If the Contractor meets the above criteria in its request for contract price increase, the following formula shall be used to calculate the increase:

First Increase:  $WI=(XY) \times (Z) + FB$ 

Subsequent Increase(s): WI = AZ + FB

Whereby, WI = Dollar amount increase in unit bid price due to increase in State

wages;

- X = Original contract unit bid price;
- Y = Percentage of unit price designated by Contractor as representing labor costs;
- Z = Percentage increase in wages paid to State employees performing similar work;
- FB = Additional costs for those benefits required by statute, directly related to the allowed increase in wages paid to Contractor's employees;
- A = That portion of the contract amount representing wages (this amount is X Times Y plus any increase(s) in contract unit bid price resulting from increase in State wages).

The increase shall be reflected in either a contract modification or in the supplemental agreement issued for the extended period of the initial contract.

#### 3.15 AWARD OF CONTRACT

Award, if made, will be to the responsive, responsible Bidder submitting the lowest total sum bid price for the Basic Bid. Bidder is required to bid on every line item specified on the Bid Form page-5 (BF-5) and page-6 (BF-6) to be considered for award.

In the event the total sum bid of all bidders received exceeds the project control budget, the HCDA reserves the right to make an award to the apparent low bidder if additional funds are available or by negotiating a reduction of the scope of work that is mutually agreed upon by both the HCDA and the Bidder.

The final award of the Contract hereunder will be conditioned upon (1) HCDA having the right to hold all bids for a period of ninety (90) calendar days from the date of bid opening, during which no bids shall be withdrawn and (2) funding availability and release.

#### 3.16 EXECUTION OF CONTRACT

The HCDA shall forward to the successful Bidder a formal Contract to be signed and returned to the HCDA within ten (10) calendar days or as otherwise indicated by the HCDA. No work is to be undertaken by the Contractor prior to the commencement date specified on the Notice to Proceed letter issued by the HCDA upon execution of the Contract by both parties.

#### 3.17 PERMITS, LICENSES, AND TAXES

The Contractor shall procure all permits and licenses, during the original or extended Contract term, pay all charges, fees, and taxes, and give all notices necessary and incidental to the due and lawful prosecution of the work.

Failure to procure and maintain valid permits and licenses required by law and these specifications may be cause for the HCDA to terminate the Contract.

#### 3.18 NOTICE TO PROCEED

Work will commence on the official commencement date specified on the Notice to Proceed letter issued by the HCDA upon execution of the Contract.

#### 3.19 INVOICING

Contractor shall submit one (1) original and three (3) copies of the invoice to:

Hawaii Community Development Authority 547 Queen Street Honolulu, Hawaii 96813

All invoices shall reference the Contract number and given a unique invoice number for identification purposes.

Invoice must detail the service and work performed. Contractor shall identify separate charges for allowance items (additional pickups and/or overage fees) and regular collection services.

If the HCDA determines that all work has been performed in accordance with the Contract specifications, the HCDA shall indicate its acceptance of the work and shall process payment. If all or portions of the work are not acceptable to the HCDA, payment may be withheld for all or a portion of the work until such work is completed and corrected to the satisfaction of the HCDA.

The Contractor is required to remain in compliance with the Federal and State requirements. For final payment, a Certificate of Vendor Compliance, issued through the Hawaii Compliance Express system as explained in Section 3.6 Responsibility of Bidders, shall be required.

#### 3.20 PAYMENT

Section 103-10, HRS, provides that the State shall have thirty (30) calendar days after receipt of invoice or satisfactory performance of the services to make payment. For this reason, the State will reject any bid submitted with a condition requiring payment within a shorter period. Further, the State will reject any bid submitted with a condition requiring interest payments greater than that allowed by Section 103-10, HRS, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the Contract, which requires payment within a shorter period, or interest payment not in conformance with statute.

#### 3.21 ENVIRONMENTAL POLLUTION CONTROL

Environmental pollution control shall consist of the protection of the environment from pollution during and as a result of operations under the Contract. The control of the environmental pollution requires the consideration of air, water, land, and involves noise, dust, solid waste management as well as other pollutants. It is the responsibility of the Contractor to investigate and comply with all applicable Federal, State, and County laws and regulations concerning environmental pollution control and abatement and to secure all necessary permits.

#### 3.22 RE-EXECUTION OF WORK

The Contractor shall re-execute any work that fails to conform to the requirements of the contract and shall immediately remedy any defects due to faulty workmanship by the Contractor. Should the Contractor fail to comply, the State reserves the right to engage the services of another company to perform the services and to deduct such costs from monies due to the Contractor.

#### 3.23 REMOVAL OF CONTRACTOR'S EMPLOYEES

Contractor agrees to remove any of its employees from services rendered and to be rendered the State, upon request in writing by the HCDA Point of Contact.

#### 3.24 RIGHTS AND REMEDIES FOR DEFAULT

In the event the Contractor fails, refuses or neglects to perform the services in accordance with the requirements of the contract, these Special Provisions, the Specifications, and AG-008 103D General Conditions herein, in addition to the recourse stated in Section 13 of the AG-008 103D General Conditions, the HCDA

reserves the right to purchase in the open market, a corresponding quantity of the services specified herein and to deduct from any moneys due or that may thereafter become due the Contractor, the difference between the price named in the contract and the actual cost thereof to the HCDA. In case any money due the Contractor is insufficient for said purpose, the Contractor shall pay the difference upon demand by the State. The HCDA may also utilize all other remedies provided by law.

#### 3.25 LIQUIDATED DAMAGES

Liquidated damage is fixed at the sum of TWO HUNDRED DOLLARS (\$200.00) for each and every calendar day per location per violation the Contractor fails to perform in whole or in part any of his obligations specified herein. Liquidated damages, if assessed, may be deducted from any payments due or to become due to the Contractor. Refer to Section 9 of Attachment 4, AG-008 103D General Conditions.

**END OF SECTION** 

# **SECTION FOUR - ATTACHMENTS**

ATTACHMENT 1 – Bid Offer Forms, BF-1 to BF-7

ATTACHMENT 2 – Map of Kewalo Basin Harbor

ATTACHMENT 3 – Position Class Specifications/Minimum Qualifications

ATTACHMENT 4 – AG-008 103D General Conditions

# **END OF SECTION**