



Department of Hawaiian Home Lands

RELEASE DATE: August 19, 2019

REQUEST FOR PROPOSALS
No. RFP-20-HHL-002

SEALED OFFERS
FOR

REDEVELOPMENT AND MANAGEMENT OF ULU KE KUKUI MULTI-FAMILY HOUSING PROJECT, MAILI, WAIANAE, OAHU

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

WILL BE RECEIVED UP TO 2:00 P.M. (HST) ON
September 20, 2019

AT HALE KALANIANAOLE, 91-5420 KAPOLEI PARKWAY, KAPOLEI, HAWAII 96707.
DIRECT QUESTIONS RELATING TO THIS SOLICITATION TO DARRELL ING,
PROJECT MANAGER, TELEPHONE (808) 620-9276, FACSIMILE (808) 620-9299;
E-MAIL AT darrell.h.ing@hawaii.gov.



WILLIAM J. AILA, JR.
CHAIRMAN, HAWAIIAN HOMES COMMISSION
PROCUREMENT OFFICER

RFP-20-HHL-002

TABLE OF CONTENTS

	<u>Page</u>
SECTION ONE: INTRODUCTION, TERMS AND ACRONYMS, AND KEY DATES.....	1
SECTION TWO: BACKGROUND AND SCOPE OF WORK	4
SECTION THREE: PROPOSAL FORMAT AND CONTENT	8
SECTION FOUR: EVALUATION CRITERIA	13
SECTION FIVE: CONTRACTOR SELECTION AND CONTRACT AWARD.....	14
SECTION SIX: SPECIAL PROVISIONS.....	19
SECTION SEVEN: ATTACHMENTS AND EXHIBITS	20
ATTACHMENT 1 OFFER FORM, OF-1	
ATTACHMENT 2 OFFER FORM, OF-1A	
ATTACHMENT 3 OFFER FORM, OF-2	
ATTACHMENT 4 NOTICE OF INTENT TO OFFER	
EXHIBIT A GENERAL PROVISIONS	
EXHIBIT B AG 103D GENERAL CONDITIONS	
EXHIBIT C OVERVIEW OF THE RFP PROCESS	
EXHIBIT D DHHL GENERAL CONSTRUCTION CONDITIONS	
EXHIBIT E BOND FORMS	
EXHIBIT F WAGE RATE SCHEDULE BULLETIN NO. 494	
EXHIBIT G APPRENTICE SCHEDULE NO. 494	
EXHIBIT H GENERAL DECISION NUMBER HI190001 01/04/2019	
EXHIBIT I SAMPLE DEVELOPMENT AGREEMENT	
EXHIBIT J SITE AND FACILITY ASSESSMENT FOR ULU KE KUKUI TRANSI- TIONAL HOUSING (GROUP 70 INTERNATIONAL, OCTOBER 31, 2017)	
EXHIBIT K HAR TITLE 10, DHHL, CH. §10-7 (DRAFT)	
EXHIBIT L HHFDC AFFORDABLE RENT GUIDELINES FOR HONOLULU COUNTY (2018)	

SECTION ONE
INTRODUCTION, TERMS AND ACRONYMS, KEY DATES

1.1 INTRODUCTION

The State Department of Hawaiian Home Lands (DHHL) is issuing this Request for Proposals (RFP) to procure the services of developer to renovate, operate and maintain the Ulu Ke Kukui multi-family residential housing facility in Maili, Wai‘anae, O‘ahu.

1.2 CANCELLATION

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

1.3 TERMS AND ACRONYMS USED THROUGHOUT THE SOLICITATION

BAFO	=	Best and Final Offer
CPO	=	Chief Procurement Officer
DAGS	=	Department of Accounting and General Services
DHHL	=	Department of Hawaiian Home Lands
GC	=	103D General Conditions, issued by the Department of the Attorney General
GET	=	General Excise Tax

Area Median Income (AMI) – the median income for a County as defined by HUD, and as adjusted for family size.

Chairman – Chairman of the Hawaiian Homes Commission. The Chairman also serves as the Director of the Department of Hawaiian Home Lands and is the Procurement Officer for the department.

Commission – The Hawaiian Homes Commission (HHC).

Contact Person – The person designated by the Department to receive various communications in writing to the Department in conjunction with the project.

Contractor or Developer – The entity selected as a result of this solicitation which executes the Development Agreement.

Department of Hawaiian Home Lands (DHHL or Department) – A public body responsible for administering the day-to-day operations of the Hawaiian Homes Commission Act of 1920, as amended.

Offeror – Any individual, partnership, firm, corporation, joint venture, or representative or agent, submitting an offer in response to this solicitation.

Procurement Officer – The contracting officer for the State of Hawaii, Department of Hawaiian Home Lands.

Proposal – A document submitted by an Offeror in the prescribed manner in response to this RFP.

State – The State of Hawaii acting through its authorized representative.

1.4 RFP SCHEDULE AND SIGNIFICANT DATES

The schedule set out herein represents the State’s best estimate of the schedule that will be followed. All times indicated are Hawaii Standard Time (HST). If a component of this schedule, such as "Proposal Due" date is delayed, the rest of the schedule will likely be shifted by the same number of days. The approximate schedule is as follows:

Release of Request for Proposals.	8/19/19
Deadline for DHHL to receive written inquiries to be answered at the Pre-proposal Conference	8/27/19
Pre-proposal Conference Location: Ulu Ke Kukui Community Center, 87-576 Kula’aupuni Street, Waianae, HI 96792	8/29/19
Final deadline for written inquiries	9/6/19
Deadline for DHHL to receive Notices of Intent to Offer	9/3/19
DHHL's responses to offerors' written inquiries distributed	9/13/19
Proposals Due Location: DHHL, 91-5420 Kapolei Parkway, Kapolei, HI, 96707	9/20/19
Determination of "Priority List" Offerors	9/27/19
Discussion with Priority Listed Offerors (if necessary)	10/4/19
Best and Final Offer (if necessary)	10/18/19
Notice of Award	11/4/19
Contract Start Date	11/25/19

Solicitation documents may be obtained at the State Procurement Office (SPO) website:

<https://hands.ehawaii.gov/hands/opportunities>

There is no fee assessment to download the RFP documents from the SPO website. It is the responsibility of potential offerors to check the SPO website for any addenda issued by DHHL.

1.5 PRE-PROPOSAL CONFERENCE

The purpose of the pre-proposal conference is to provide Offerors an opportunity to be briefed on this procurement and to ask any questions about this procurement. The pre-proposal conference is not mandatory, however, Offerors are encouraged to attend to gain a better understanding of the requirements of this RFP.

Offerors are advised that anything discussed at the pre-proposal conference does not change any part of this RFP. All changes and/or clarifications to this RFP shall be done in the form of an addendum.

The pre-proposal conference will be held as follows:

Date: August 29, 2019
Time: 9:00 am
Location: Ulu Ke Kukui Community Center
87-576 Kula'aupuni Street
Waianae, HI 96792

A tour of the facilities will be conducted following the pre-proposal conference.

1.6 QUESTIONS AND ANSWERS PRIOR TO OPENING OF PROPOSALS

All questions shall be submitted by the due date specified in Section 1.4, *RFP Schedule and Significant Dates*, as amended.

The State will respond to questions through Addenda/Amendments by the date specified in Section 1.4, *RFP Schedule and Significant Dates*, as amended.

1.7 NOTICE OF INTENT TO SUBMIT OFFER

In accordance with Section 103D-310, Hawaii Revised Statutes, and Section 3-122-111, Hawaii Administrative Rules, a written notice of intention to submit an offer must be submitted to the Chairman, who is the officer charged with letting the contract. The notice may be faxed, hand carried, mailed or e-mailed to the office indicated in the Request for Proposals.

The written notice must be received by the office indicated in the Request for Proposals no later than 2:00 p.m. on the tenth calendar day prior to the day designated for receipt of proposals. If the tenth calendar day prior to the day designated for receipt of proposals is a Saturday, Sunday, or legal State holiday, then the written notice must be received by the Department no later than 2:00 p.m. on the last working day immediately prior to said Saturday, Sunday, or legal State holiday. The written notice will be time stamped when received. The time designated by the time stamping device in said office shall be official. If the written notice is hand carried, then the bearer is responsible to ensure that the notice is time stamped. If the notice is faxed, the time of receipt by the Department fax machine shall be official.

It is the responsibility of the prospective Offeror to ensure that the written notice of intention to bid is received in time and the Department assumes no responsibility for failure of timely delivery caused by the prospective Offeror or by any method of conveyance chosen by the prospective Offeror.

SECTION TWO
BACKGROUND AND SCOPE OF WORK

2.1 PROJECT OVERVIEW AND HISTORY

The property is currently under lease from DHHL to the Hawaii Public Housing Authority. The lease will expire on November 24, 2019. In anticipation of the return of the property, DHHL is issuing this solicitation because it does not have the capacity to operate and manage a residential rental facility.

The Ulu Ke Kukui transitional housing facilities were constructed in 2007. Group 70 International conducted an assessment of the facilities in 2017 (Exhibit J). The facilities consist of:

Five residential buildings. Each building has 16 units that include 8 two-bedroom units and 8 studio units. (Note: the units were designed such that a two-bedroom unit and adjacent studio could be joined to create a three-bedroom unit.) There are communal washing machines and a laundry area outside of each building. There are also solar water heater panels on each building.

The existing administration building includes offices, classrooms, a cafeteria, commercial kitchen and two early child care centers.

There are marked parking stalls and ADA stalls in the parking lots. There are fire lanes with fire hydrants on three sides of the facility.

The facilities are on approximately five acres of an 85-acre parcel. A neighboring facility, Ho'omalū O Na Kamali'i is leased to the State Department of Human Services. Forty acres of the southern portion of the parcel is leased to Kamehameha Schools, which has constructed and is operating an early learning center. The remaining 39 acres is being planned for DHHL residential development.

2.2 SCOPE OF WORK

All services and for whom services are to be provided for shall be in accordance with this RFP, including its attachments and any addenda.

2.2.1 Department's Project Objectives. Proposals shall consider the Department's objectives for this project, which are summarized as follows:

- a. To provide a housing opportunity to native Hawaiians in the moderate and low income brackets (below 100% of AMI as determined by HUD).
- b. To develop a prototype rental program that provides housing for beneficiaries who need time to become financially qualified to purchase a house on a homestead lot.
- c. To provide a housing opportunity to native Hawaiians who are homeless.

- d. Kupuna housing may be considered, however the distance to bus stops on Farrington may be too far for most to walk, so transportation services would be required.

2.2.2 Developer's Responsibilities

- a. Assemble and coordinate a management team for the project. Identify the team captain who shall be the authorized representative for the entire project.
- b. Design and construct improvements as necessary, prior to re-opening the project for occupancy, including but not limited to, replacement of appliances or furnishings, and conversion of some or all units to three-bedroom units.
- c. Arrange sources and funds for all capital necessary to renovate, maintain, and rent the apartments in accordance with the Development Agreement. Explore alternative funding mechanisms including, affordable housing tax credits, and grants or loans from other public agencies or private sources.
- d. Developer shall assume the responsibilities as the responsible entity per 24 CFR part 58, to include, but not be limited to compiling the environmental review record.
- e. Obtain all necessary operating permits and approvals from appropriate State and County agencies.
- f. Market and rent all dwelling units, including advertising, conducting information/orientation meetings, processing rental applications and contracts. Maximum rental rates shall be per guidelines published by Hawaii Housing Finance and Development Corporation (HHFDC) based on HUD income limits (Exhibit L), and would include the cost of the following utilities: water, sanitary sewage services, electricity and gas (where applicable). Section 8 vouchers may be accepted.
- g. Collect and account for rents. Establish and enforce rules for collection of late or delinquent rent.
- h. Compile and certify periodic reports to DHHL regarding occupancy status and the income levels of the tenants.
- i. Establish and implement routine and emergency procedures, including House Rules, for operating the apartments. In accordance with proposed amendments to the Administrative Rules, the rental agreement shall comply with the Hawaii landlord and tenant code, chapter 521, HRS, and the Fair Housing Act insofar as they do not conflict with the Hawaiian Homes Commission Act.

- j. Establish a program and budget for long-term common area inspections, maintenance, repair, and replacement.
- k. Establish an assistance program for renters to become financially qualified to purchase a house. Components may include, but not be limited to financial literacy counseling, individual savings accounts (ISA), and career counseling.
- l. Provide any other services or functions the developer deems necessary for the unique circumstances of their proposal, including but not limited to the management and operation of the administrative building.

2.3 DEPARTMENT OF HAWAIIAN HOME LANDS RESPONSIBILITIES

- a. Issue a 20-year Development Agreement to the selected developer for the project. The contract will include three options to extend for 10 years each.
- b. Conduct initial mailout to applicants on the Nanakuli and Waianae Area Residential Waiting Lists. Conduct mailouts to other eligible native Hawaiians from Department mailing lists as needed.
- c. Certify the native Hawaiian qualification status of potential renters.
- d. Assist with information/orientation meetings.
- e. Place DHHL multi-family administrative rules into effect.
- f. Provide HUD project-based Section 8 rental assistance to eligible renters.
- g. Co-ordinate with the appropriate State and County agencies to compare the DHHL waitlist with holders of Section 8 vouchers.

2.4 TERM OF CONTRACT

The Development Agreement shall be for a period of 20 years. The contract will include three options to extend for 10 years each at the State's discretion.

2.5 CONTRACT ADMINISTRATOR

For the purposes of this contract, Stewart Matsunaga, Acting Land Development Division Administrator, (808) 620-9283, or authorized representative, is designated the Contract Administrator.

2.6 OFFEROR QUALIFICATIONS

Minimum Qualifications for Offerors, at the time the proposal is submitted:

- 1) A principal member of the Offeror's company must have at least five (5) years of development and rental housing operation experience in the State of Hawaii.
- 2) The Offeror shall name the person or team captain who will be responsible for day-to-day operations and oversight on this project. The team captain shall have had substantial responsibility in the operation of at least three (3) separate rental housing projects with at least one project consisting of thirty (30) or more units.
- 3) At the time of the submittal of the proposal, the Offeror must be authorized to do business in the State of Hawaii and have all licenses necessary to carry out the management of the Project. All persons and entities to be used on any design and construction work shall possess all required professional and other licenses issued by the State of Hawaii including, but not limited to, architects, engineers, contractors, subcontractors, and others.
- 4) At the time of submittal of the proposal, the Offeror shall not be in default or have failed to perform under any contract, agreement, development or design-build agreement, or lease with the State of Hawaii, and not have any outstanding judgments.
- 5) The Offeror shall provide its two (2) most recent audited annual financial statements, a statement of financial net worth, or statement of bonding capacity.

2.7 DISQUALIFICATION OF OFFERORS

Any one or more of the following causes will be considered as sufficient for the disqualification of an Offeror and the rejection of its proposal or proposals:

- 1) Non-compliance with Section 103D-310 HRS.
- 2) Evidence of collusion among Offerors.
- 3) More than one proposal for the same work from an individual, firm, partnership, corporation or joint venture under the same or different name.
- 4) Delivery of proposals after the deadline specified in the advertisement calling for proposals.
- 5) Debarment or suspension pursuant to Section 103D-702, HRS.

SECTION THREE
PROPOSAL FORMAT AND CONTENT

3.1 OFFEROR'S AUTHORITY TO SUBMIT AN OFFER

The State will not participate in determinations regarding an Offeror's authority to sell a product or service. If there is a question or doubt regarding an Offeror's right or ability to obtain and sell a product or service, the Offeror shall resolve that question prior to submitting an offer.

3.2 REQUIRED REVIEW

3.2.1 Before submitting a proposal, each Offeror must thoroughly and carefully examine this RFP, any attachment, addendum, and other relevant document, to ensure Offeror understands the requirements of the RFP. Offeror must also become familiar with State, local, and Federal laws, statutes, ordinances, rules, and regulations that may in any manner affect cost, progress, or performance of the work required.

3.2.2 Should Offeror find defects and questionable or objectionable items in the RFP, Offeror shall notify the Department of Hawaiian Home Lands in writing prior to the deadline for written questions as stated in the RFP *Schedule and Significant Dates*, as amended. This will allow the issuance of any necessary corrections and/or amendments to the RFP by addendum, and mitigate reliance of a defective solicitation and exposure of proposal(s) upon which award could not be made.

3.3 PROPOSAL PREPARATION COSTS

Any and all costs incurred by the Offeror in preparing or submitting a proposal shall be the Offeror's sole responsibility whether or not any award results from this RFP. The State shall not reimburse such costs.

3.4 TAX LIABILITY

3.4.1 State GET Exemption. It is intended that gross income derived from the construction of renovations and rental of residential units will be certified for exemption from Hawaii General Excise Taxes pursuant to Section 201G-116 HRS. The proposed budget shall not include any provision for GET.

3.4.2 Federal I.D. Number and Hawaii General Excise Tax License I.D. Offeror shall submit its current Federal I.D. No. and Hawaii General Excise Tax License I.D. number in the space provided on Offer Form, page OF-1, thereby attesting that the Offeror is doing business in the State and that Offeror will pay such taxes on all sales made to the State as applicable.

3.5 PROPERTY OF STATE

All proposals become the property of the State of Hawaii.

3.6 CONFIDENTIAL INFORMATION

- 3.6.1 If an Offeror believes that any portion of a proposal, offer, specification, protest, or correspondence contains information that should be withheld from disclosure as confidential, then the Offeror shall inform the Procurement Officer named on the cover of this RFP in writing and provided with justification to support the Offeror's confidentiality claim. Price is not considered confidential and will not be withheld.
- 3.6.2 An Offeror shall request in writing nondisclosure of information such as designated trade secrets or other proprietary data Offeror considers to be confidential. Such requests for nondisclosure shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal.

3.7 EXCEPTIONS

Should Offeror take any exception to the terms, conditions, specifications, or other requirements listed in the RFP, Offeror shall list such exceptions in this section of the Offeror's proposal. Offeror shall reference the RFP section where exception is taken, a description of the exception taken, and the proposed alternative, if any. The State reserves the right to accept or not accept any exceptions.

No exceptions to statutory requirements of the AG General Conditions shall be considered.

3.8 PROPOSAL OBJECTIVES

- 3.8.1 One of the objectives of this RFP is to make proposal preparation easy and efficient, while giving Offerors ample opportunity to highlight their proposals. The evaluation process must also be manageable and effective.
- 3.8.2 Proposals shall be prepared in a straightforward and concise manner, in a format that is reasonably consistent and appropriate for the purpose. Emphasis will be on completeness and clarity and content.
- 3.8.3 When an Offeror submits a proposal, it shall be considered a complete plan for accomplishing the tasks described in this RFP and any supplemental tasks the Offeror has identified as necessary to successfully complete the obligations outlined in this RFP.
- 3.8.4 The proposal shall describe in detail the Offeror's ability and availability of services to meet the goals and objectives of this RFP as stated in Section 2.2 SCOPE OF WORK.
- 3.8.5 Offeror shall submit a proposal that includes an overall strategy, timeline and plan for the work proposed as well as expected results and possible shortfalls.

3.9 PROPOSAL FORMS

- 3.9.1 To be considered responsive, the Offeror's proposal shall respond to and include all items specified in this RFP and any subsequent addendum. Any proposal offering any other set of terms and conditions that conflict with the terms and

conditions providing in the RFP or in any subsequent addendum may be rejected without further consideration.

- 3.9.2 Offer Form, OF-1. Offer Form, OF-1 is required to be completed using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable, in the appropriate space on Offer Form, OF-1 (SECTION SEVEN, Attachment 1). Failure to do so may delay proper execution of the Contract.

The Offeror's authorized signature on the Offer Form, OF-1 shall be an original signature in ink, which shall be required before an award, if any, can be made. The submission of the proposal shall indicate Offeror's intent to be bound.

- 3.9.3 Offer Form OF-1A, Experience and Capabilities. Development team information shall be submitted on Offer Form OF-1A (SECTION SEVEN, Attachment 2).

- 3.9.4 Offer Form, OF-2. Description of proposed programs and pricing shall be submitted on Offer Form OF-2 (SECTION SEVEN, Attachment 3). The rates shall be the all-inclusive cost, excluding the GET, to the State.

- 3.9.5 Handwritten offers are not acceptable.

3.10 PROPOSAL CONTENTS

Proposals must:

- 3.10.1 Include a transmittal letter to confirm that the Offeror shall comply with the requirements, provisions, terms, and conditions specified in this RFP.

- 3.10.2 Include a signed Offer Form OF-1 with the complete name and address of Offeror's firm and the name, mailing address, telephone number, e-mail address, and fax number of the person the State should contact regarding the Offeror's proposal.

- 3.10.3 If subcontractor(s) will be used, append a statement to the transmittal letter from each subcontractor, signed by an individual authorized to legally bind the subcontractor and stating:

- a. The general scope of work to be performed by the subcontractor;
- b. The subcontractor's willingness to perform for the indicated.

- 3.10.4 Provide all of the information requested in this RFP in the order specified.

- 3.10.5 Be organized into sections, following the exact format using all titles, subtitles, and numbering, with tabs separating each section described below. Each section must be addressed individually and pages must be numbered.

- a. Transmittal Letter
- b. Offer Form, OF-1
- c. Offer Form, OF-1A
- d. Offer Form OF-2

3.11 RECEIPT AND REGISTER OF PROPOALS

Proposals will be received and receipt verified by two or more procurement officials on or after the date and time specified in Section One, or as amended.

The register of proposals and proposals of the Offeror(s) shall be open to public inspection upon posting of award pursuant to section 103D-701, HRS.

3.12 BEST AND FINAL OFFER (BAFO)

If the State determines a BAFO is necessary, it shall request one from the Offeror. The Offeror shall submit its BAFO and any BAFO received after the deadline or not received shall not be considered.

3.13 MODIFICATION PRIOR TO SUBMITTAL DEADLINE OR WITHDRAWAL OF OFFERS

3.13.1 The Offeror may modify or withdraw a proposal before the proposal due date and time.

3.13.2 Any change, addition, deletion of attachment(s) or data entry of an Offer may be made prior to the deadline for submittal of offers.

3.14 MISTAKES IN PROPOSALS

3.14.1 Mistakes shall not be corrected after award of contract.

3.14.2 When the Procurement Officer knows or has reason to conclude before award that a mistake has been made, the Procurement Officer should request the offeror to confirm the proposal. If the Offeror alleges mistake, the proposal may be corrected or withdrawn pursuant to this section.

3.14.3 Once discussions are commenced or after best and final offers are requested, any priority-listed Offeror may freely correct any mistake by modifying or withdrawing the proposal until the time and date set for receipt of best and final offers.

3.14.4 If discussions are not held, or if the best and final offers upon which award will be made have been received, mistakes shall be corrected to the intended correct offer whenever the mistake and the intended correct offer are clearly evident on the face of the proposal, in which event the proposal may not be withdrawn.

3.14.5 If discussions are not held, or if the best and final offers upon which award will be made have been received, an Offeror alleging a material mistake of fact which makes a proposal non-responsive may be permitted to withdraw the proposal if: the mistake is clearly evident on the face of the proposal but the intended correct offer is not; or the Offeror submits evidence which clearly and convincingly demonstrates that a mistake was made.

3.14.6 Technical irregularities are matters of form rather than substance evident from the proposal document, or insignificant mistakes that can be waived or corrected without prejudice to other Offerors; that is, when there is no effect on price,

quality, or quantity. If discussions are not held or if best and final offers upon which award will be made have been received, the Procurement Officer may waive such irregularities or allow an Offeror to correct them if either is in the best interest of the State. Examples include the failure of an Offeror to: return the number of signed proposals required by the request for proposals; sign the proposal, but only if the unsigned proposal is accompanied by other material indicating the Offeror's intent to be bound; or to acknowledge receipt of an amendment to the request for proposal, but only if it is clear from the proposal that the Offeror received the amendment and intended to be bound by its terms; or the amendment involved had no effect on price, quality or quantity.

3.15 RESPONSIBILITY FOR EXPENSES IN PREPARING PROPOSALS

Offerors that respond to this RFP shall be solely responsible for all costs and expenses incurred in connection with responding to this RFP.

SECTION FOUR
EVALUATION CRITERIA AND CONTRACTOR SELECTION

The award will be made to the responsible Offeror whose proposal is determined to be the most advantageous to the State based on the evaluation criteria listed in this section. **The total number of points used to score this contract is 100.** Evaluation of submitted proposals will be based on the following point distribution.

<i>Criteria Description</i>		<i>Points</i>
1.	Previous experience, capability and proficiency in operation of residential rental facilities.	20
2.	Development Program	20
3.	Rental rates	15
4.	Proposed Renovations and Cost	15
3.	Project operating budget	10
4.	Financing program	10
5.	Project operating program	10
TOTAL POSSIBLE POINTS		100

SECTION FIVE
CONTRACTOR SELECTION AND CONTRACT AWARD

5.1 EVALUATION OF PROPOSALS

The Procurement Officer shall appoint an evaluation committee of at least three (3) qualified State employees to evaluate proposals. The evaluation will be based solely on the evaluation criteria set out in Section Four of this RFP.

Prior to holding any discussion, a priority list shall be generated consisting of offers determined to be acceptable or potentially acceptable. However, proposals may be accepted without such discussions.

If numerous acceptable and potentially acceptable proposals are submitted, the evaluation committee may limit the priority list to the three highest ranked, responsible Offerors.

5.2 DISCUSSION WITH PRIORITY LISTED OFFERORS

The State may invite priority listed Offerors to discuss their proposals to ensure thorough, mutual understanding. The State in its sole discretion shall schedule the time and location for these discussions, generally within the timeframe indicated in *RFP Schedule and Significant Dates*. The State may also conduct discussions with priority listed Offerors to clarify issues regarding the proposals before requesting Best and Final Offers, if necessary.

5.3 AWARD OF CONTRACT

Method of Award. Award will be made to the responsible Offeror whose proposal is determined to be the most advantageous to the State based on the evaluation criteria set forth in the RFP.

5.4 RESPONSIBILITY OF OFFERORS

Offeror is advised that in order to be awarded a contract under this solicitation, Offeror will be required, to be compliant with all laws governing entities doing business in the State including the following chapters and pursuant to HRS §103D-310(c):

1. Chapter 237, General Excise Tax Law;
2. Chapter 383, Hawaii Employment Security Law;
3. Chapter 386, Worker's Compensation Law;
4. Chapter 392, Temporary Disability Insurance;
5. Chapter 393, Prepaid Health Care Act; and
6. §103D-310(c), Certificate of Good Standing (COGS) for entities doing business in the State.

The State will verify compliance on Hawaii Compliance Express (HCE).

Hawaii Compliance Express. 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.

Vendors/contractors/service providers should register with (HCE) prior to submitting an offer at <https://vendors.ehawaii.gov/hce/splash/welcome.html>. The annual registration fee is \$12.00 and the 'Certificate of Vendor Compliance' is accepted for the execution of contract and final payment.

Timely Registration on HCE. Vendors/contractors/service providers are advised to register on HCE soon as possible. If a vendor/contractor/service provider is not compliant on HCE at the time of award, an Offeror will not receive the award.

5.5 PROPOSAL AS PART OF THE CONTRACT

This RFP and all or part of the successful proposal may be incorporated into the contract.

5.6 PUBLIC EXAMINATION OF PROPOSALS

Except for confidential portions, the proposals shall be made available for public inspection upon posting of award pursuant to HRS §103D-701.

If a person is denied access to a State procurement record, the person may appeal the denial to the office of information practices in accordance with HRS §92F-42(12).

5.7 DEBRIEFING

Pursuant to HAR §3-122-60, a non-selected Offeror may request a debriefing to understand the basis for award.

A written request for debriefing shall be made within three (3) working days after the posting of the award of the contract. The Procurement Officer or designee shall hold the debriefing within seven (7) working days to the extent practicable from the receipt date of written request.

Any protest by the requestor following a debriefing, shall be filed within five (5) working days, as specified in HAR §103D-303(h).

5.8 PROTEST PROCEDURES

Pursuant to HRS §103D-701 and HAR §3-126-3, an actual or prospective Offeror who is aggrieved in connection with the solicitation or award of a contract may submit a protest. Any protest shall be submitted in writing to the Procurement Officer at:

Honorable William J. Aila, Jr., Chairman
Hawaiian Homes Commission
Department of Hawaiian Home Lands
91-5420 Kapolei Parkway

Kapolei, Hawaii 96707

A protest shall be submitted in writing within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers. Further provided that a protest of an award or proposed award shall be submitted within five (5) working days after the posting of award or if requested, within five (5) working days after the PO's debriefing was completed.

The notice of award, if any, resulting from this solicitation shall be posted on the Hawaii Awards & Notices Data System (HANDS), which is available on the SPO website: <https://hands.ehawaii.gov/hands/awards>.

5.9 APPROVALS

Any agreement arising out of this offer may be subject to the approval of the Department of the Attorney General, and to all further approvals, including the approval of the Governor, as required by statute, regulation, rule, order, or other directive.

5.10 CONTRACT EXECUTION

Successful Offeror receiving award shall enter into a formal written Development Agreement in the form as in Exhibit I.

No work is to be undertaken by the Contractor prior to the effective date of contract. The State of Hawaii is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the official starting date.

If an option to extend is mutually agreed upon, the Contractor shall be required to execute a supplement to the contract for the additional extension period.

5.11 INSURANCE

5.11.1 Prior to the contract start date, the Contractor shall procure at its sole expense and maintain insurance coverage acceptable to the State in full force and effect throughout the term of the Contract. The Contractor shall provide proof of insurance for the following minimum insurance coverage(s) and limit(s) in order to be awarded a contract. The type of insurance coverage is listed as follows:

<u>Insurance Coverage</u>	<u>Minimum Policy Limits</u>
General Liability Insurance (occurrence form)	\$2,000,000.00 in the aggregate for property damage; \$1,000,000.00 per occurrence for injuries to or death of any one person in any accident in the aggregate
Automobile Insurance (covering all owned, non-owned and hired automobiles)	Bodily Injury: \$1,000,000 per person and \$1,000,000 per occurrence.

	Property Damage: \$1,000,000 per accident or combined single limit of \$2,000,000.
Workers' Compensation (statutory limit is required by laws of the State of Hawaii)	Insurance to include Employer's Liability. Both such coverages shall apply to all employees of the CONTRACTOR and, in case any sub-Contractor fails to provide adequate similar protection for all his employees, to all employees of sub-Contractors.
Professional Liability (Errors and Omissions)	\$1,000,000 per claim; \$2,000,000 annual aggregate. If the Self-Insured Retention (SIR) or Deductible (Errors and Omissions) exceeds \$25,000, the State of Hawaii reserves the right, but not the obligation, to review and request a copy of CONTRACTOR's most recent annual report or audited financial statement.

The insurance policies shall be in a form and substance including amounts of coverage, acceptable to DHHL.

Contractor shall furnish DHHL with insurance policies and/or certificates, which shall name DHHL as an additional insured. Such insurance policies shall provide that the insurance company shall give DHHL no less than thirty (30) days prior written notice of any termination or cancellation of such insurance policies.

Contractor acknowledges notice that it is free to procure all required insurance policies, from any insurance company authorized to do business in the state of Hawaii, pursuant to chapter 479, Hawaii revised statutes.

5.11.2 The Contractor shall deposit with the DHHL, on or before the effective date of the Contract, certificate(s) of insurance necessary to satisfy the DHHL that the provisions of the Contract have been complied with, and to keep such insurance in effect and provide the certificate(s) of insurance to the DHHL during the entire term of the Contract. Upon request by the DHHL, the Contractor shall furnish a copy of the policy or policies.

5.11.3 The Contractor will immediately provide written notice to the DHHL should any of the insurance policies evidenced on its Certificate of Insurance form be cancelled, limited in scope, or not renewed upon expiration.

5.11.4 The certificates of insurance shall contain the following clauses:

1. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."

2. "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."

5.11.5. Failure of the Contractor to provide and keep in force such insurance shall constitute a material default under the Contract, entitling the State to exercise any or all of the remedies provided in the Contract (including without limitation terminating the Contract). The procuring of any required policy or policies of insurance shall not be construed to limit the Contractor's liability hereunder, or to fulfill the indemnification provisions of the Contract. Notwithstanding said policy or policies of insurance, the Contractor shall be responsible for the full and total amount of any damage, injury, or loss caused by the Contractor's negligence or neglect in the provision of services under the Contract.

5.12 REQUIREMENTS FOR PERFORMANCE AND PAYMENT BONDS

A performance and payment bond or certificate thereof provided by the construction contractor will be required before commencing construction of any improvement on the demised premises (Exhibit E).

5.13 PAYMENT

If the requirement for subsidies by DHHL are proposed and accepted, incremental payments shall be made to the awarded Contractor on a quarterly basis, upon receipt of reports that meet the expectations of the RFP. The submittal of quarterly reports shall be in accordance with the Development Agreement.

5.14 CONTRACT INVALIDATION

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

SECTION SIX
SPECIAL PROVISIONS

6.1 OFFER GUARANTY

A proposal security deposit is required for this RFP. Subject to the exceptions in Section 3-122-223(d) HAR, proposals that are not accompanied by proposal security are non-responsive.

Proposal security shall be one of the following:

- a. Surety bid bond underwritten by a company licensed to issue bonds in this State which shall be substantially in the form of the Surety Bid Bond (Exhibit A on Exhibit E, BOND FORMS); or
- b. Legal Tender; or
- c. Certificate of Deposit; credit union share certificate; or cashier's, treasurer's, teller's or official check drawn by, or a certified check accepted by, and payable on demand to the State by a bank, a savings institution, or credit union insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration.
 - (a) These instruments may be utilized only to a maximum of \$100,000 (one hundred thousand dollars).
 - (b) If the required security or bond amount totals over \$100,000 (one hundred thousand dollars), more than one instrument not exceeding \$100,000 (one hundred thousand dollars) each and issued by different financial institutions shall be accepted.
 - (c) CAUTION - Offerors are cautioned that certificates of deposit or share certificates with an early withdrawal penalty must have a face value sufficient to cover the maximum penalty amount in addition to the proposal guaranty requirement. If the certificate is made out to two names, the certificate must be assigned unconditionally to the Chairman.

The proposal security shall be in an amount equal to at least five percent (5%) of the estimated cost of renovations.

If the Offeror is a corporation, evidence in the form of a corporate resolution, authorizing the corporate representative to execute the bond must be submitted with the proposal. If the Offeror is a partnership, all partners must sign the bond or evidence in the form of a partnership agreement must be submitted showing the authority of the partner.

If the Offeror is a joint-venture, all parties to the joint-venture must sign the bond; provided, that one party to the joint-venture may sign on behalf of the joint-venture if evidence in the form of a joint-venture agreement or power of attorney, is submitted showing the authority of the signatory to sign the bond on behalf of the joint-venture.

SECTION SEVEN
ATTACHMENTS AND EXHIBITS

ATTACHMENT 1	OFFER FORM, OF-1
ATTACHMENT 2	OFFER FORM, OF-1A
ATTACHMENT 3	OFFER FORM, OF-2
ATTACHMENT 4	NOTICE OF INTENT TO OFFER
EXHIBIT A	GENERAL PROVISIONS
EXHIBIT B	AG 103D GENERAL CONDITIONS
EXHIBIT C	OVERVIEW OF THE RFP PROCESS
EXHIBIT D	DHHL GENERAL CONSTRUCTION CONDITIONS
EXHIBIT E	BOND FORMS
EXHIBIT F	WAGE RATE SCHEDULE BULLETIN NO. 494
EXHIBIT G	APPRENTICE SCHEDULE NO. 494
EXHIBIT H	GENERAL DECISION NUMBER HI190001 01/04/2019
EXHIBIT I	SAMPLE DEVELOPMENT AGREEMENT
EXHIBIT J	SITE AND FACILITY ASSESSMENT FOR ULU KE KUKUI TRANSITIONAL HOUSING (GROUP 70 INTERNATIONAL, OCTOBER 31, 2017)
EXHIBIT K	HAR TITLE 10, DHHL, CH. §10-7 (DRAFT)
EXHIBIT L	HHFDC AFFORDABLE RENT GUIDELINES FOR HONOLULU COUNTY (2018)