



STATE OF HAWAII
CONTRACT FOR GOODS OR SERVICES
BASED UPON
COMPETITIVE SEALED BIDS

This Contract, executed on the respective dates indicated below, is effective as of
September 26, 2014, between Hawaii Public Housing Authority
State of Hawaii ("STATE"), by its Executive Assistant
(hereafter also referred to as the HEAD OF THE PURCHASING AGENCY or designee ("HOPA")),
whose address is 1002 North School Street, Honolulu, Hawaii 96817
("CONTRACTOR"), a
under the laws of the State of , whose business address and federal
and state taxpayer identification numbers are as follows:

RECITALS

- A. The STATE desires to retain and engage the CONTRACTOR to provide the goods or services, or both, described in this Contract and its attachments, and the CONTRACTOR is agreeable to providing said goods or services, or both.
B. The STATE has issued an invitation for competitive sealed bids, and has received and reviewed bids submitted in response to the invitation.
C. The solicitation for bids and the selection of the CONTRACTOR were made in accordance with section 103D-302, Hawaii Revised Statutes ("HRS"), Hawaii Administrative Rules, Title 3, Department of Accounting and General Services, Subtitle 11 ("HAR"), Chapter 122, Subchapter 5, and applicable procedures established by the appropriate Chief Procurement Officer ("CPO").
D. The CONTRACTOR has been identified as the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the invitation.
E. Pursuant to Section 356D-4, HRS, the STATE is authorized to enter into this Contract.
F. Money is available to fund this Contract pursuant to:
(1) State Elderly Revolving Fund/ State Family Revolving Fund
or (2) Low Income Public Housing Operating Subsidy
or both, in the following amounts: State \$
Federal \$

NOW, THEREFORE, in consideration of the promises contained in this Contract, the STATE and the CONTRACTOR agree as follows:

- 1. Scope of Services. The CONTRACTOR shall, in a proper and satisfactory manner as determined by the STATE, provide all the goods or services, or both, set forth in the Invitation for Bids number ITO-2014-28 ("IFB") and the CONTRACTOR'S accepted bid ("Bid"), both of which, even if not physically attached to this Contract, are made a part of this Contract.
2. Compensation. The CONTRACTOR shall be compensated for goods supplied or services performed, or both, under this Contract in a total amount not to exceed

DOLLARS

(\$ _____), including approved costs incurred and taxes, at the time and in the manner set forth in the IFB and CONTRACTOR'S Bid.

3. Time of Performance. The services or goods required of the CONTRACTOR under this Contract shall be performed and completed in accordance with the Time of Performance set forth in Attachment-S3, which is made a part of this Contract.

4. Bonds. The CONTRACTOR is required to provide or is not required to provide: a performance bond, a payment bond, a performance and payment bond in the amount of _____ DOLLARS (\$ 0.00 _____).

5. Standards of Conduct Declaration. The Standards of Conduct Declaration of the CONTRACTOR is attached to and made a part of this Contract.

6. Other Terms and Conditions. The General Conditions and any Special Conditions are attached to and made a part of this Contract. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control. In the event of a conflict among the documents, the order of precedence shall be as follows: (1) this Contract, including all attachments and addenda; (2) the IFB, including all attachments and addenda; and (3) the CONTRACTOR'S Bid.

7. Liquidated Damages. Liquidated damages shall be assessed in the amount of Fifty and No/100----- DOLLARS (\$ 50.00 _____) per day, in accordance with the terms of paragraph 9 of the General Conditions.

8. Notices. Any written notice required to be given by a party to this Contract shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid. Notice to the STATE shall be sent to the HOPA'S address indicated in the Contract. Notice to the CONTRACTOR shall be sent to the CONTRACTOR'S address indicated in the Contract. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The CONTRACTOR is responsible for notifying the STATE in writing of any change of address.

IN VIEW OF THE ABOVE, the parties execute this Contract by their signatures, on the dates below, to be effective as of the date first above written.

STATE

(Signature)

Barbara E. Arashiro

(Print Name)

Executive Assistant

(Print Title)

(Date)

CONTRACTOR

(Name of Contractor)

(Signature)

(Print Name)

(Print Title)

(Date)

CORPORATE SEAL

(If available)

APPROVED AS TO FORM:

Deputy Attorney General

* Evidence of authority of the CONTRACTOR'S representative to sign this Contract for the CONTRACTOR must be attached.



STATE OF HAWAII

CONTRACTOR'S ACKNOWLEDGMENT

STATE OF _____)
) SS.
_____ COUNTY OF _____)

On this _____ day of _____, _____ before me appeared _____ and _____, to me known, to be the person(s) described in and, who, being by me duly sworn, did say that he/she/they is/are _____ and _____ of _____, the CONTRACTOR named in the foregoing instrument, and that he/she/they is/are authorized to sign said instrument on behalf of the CONTRACTOR, and acknowledges that he/she/they executed said instrument as the free act and deed of the CONTRACTOR.

(Notary Stamp or Seal)

(Signature)

(Print Name)

Notary Public, State of _____

My commission expires: _____

Doc. Date: _____ # Pages: _____

Notary Name: _____ Circuit _____

Doc. Description: _____

(Notary Stamp or Seal)

Notary Signature _____ Date _____

NOTARY CERTIFICATION



STATE OF HAWAII
**CONTRACTOR'S
STANDARDS OF CONDUCT DECLARATION**

For the purposes of this declaration:

"Agency" means and includes the State, the legislature and its committees, all executive departments, boards, commissions, committees, bureaus, offices; and all independent commissions and other establishments of the state government but excluding the courts.

"Controlling interest" means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

"Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges. (Section 84-3, HRS).

On behalf of _____, CONTRACTOR, the undersigned does declare as follows:

1. CONTRACTOR is* is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest. (Section 84-15(a), HRS).
2. CONTRACTOR has not been represented or assisted personally in the matter by an individual who has been an employee of the agency awarding this Contract within the preceding two years and who participated while so employed in the matter with which the Contract is directly concerned. (Section 84-15(b), HRS).
3. CONTRACTOR has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Contract and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of this Contract, if the legislator or employee had been involved in the development or award of the Contract. (Section 84-14 (d), HRS).
4. CONTRACTOR has not been represented on matters related to this Contract, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an agency employee, or in the case of the Legislature, a legislator, and participated while an employee or legislator on matters related to this Contract. (Sections 84-18(b) and (c), HRS).

CONTRACTOR understands that the Contract to which this document is attached is voidable on behalf of the STATE if this Contract was entered into in violation of any provision of chapter 84, Hawaii Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source of the declarations above. Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

* Reminder to Agency: If the "is" block is checked and if the Contract involves goods or services of a value in excess of \$10,000, the Contract must be awarded by competitive sealed bidding under section 103D-302, HRS, or a competitive sealed proposal under section 103D-303, HRS. Otherwise, the Agency may not award the Contract unless it posts a notice of its intent to award it and files a copy of the notice with the State Ethics Commission. (Section 84-15(a), HRS).

CONTRACTOR

By _____

(Signature)

Print Name _____

Print Title _____

Name of Contractor _____

Date _____



STATE OF HAWAII

SCOPE OF SERVICES

CONTRACTOR:

1. It is understood and agreed that the following documents, and any amendments or addenda thereto, comprise the Contract between the parties and govern the work to be performed by the CONTRACTOR to print, fold, insert and mail out rent bills and newsletters to HPHA's Federal and State funded public housing tenants: (1) Contract for Goods and Services Based Upon Invitation for Competitive Sealed Bids, including Contractor's Acknowledgement, Contractor's Standard of Conduct Declaration, Attachments S1, S2, S3, S4 and S5; (2) Invitation for Bid No. ITO 2014-28 and all addenda; (3) CONTRACTOR's accepted bid dated August 1, 2014; (4) State AG-008 103D General Conditions; and (5) General Conditions for Non-Construction Contracts, Form HUD-5370-C (if applicable). These documents are collectively referred to as the "Contract Documents."
2. The CONTRACTOR shall print, fold, insert and mail rent bills and newsletters to HPHA's Federal and State funded public housing tenants once a month for a 12-month period. Additionally, the CONTRACTOR shall print and mail Internal Revenue Service (IRS) 1099 forms to the HPHA's vendors each year when due.
3. Monthly Tenant Rent Bills:

The CONTRACTOR shall:
 - a. Print and mail the tenant rent bills to the HPHA's public housing tenants. Tenants must receive the rent bill not later than the first (1st) day of each month. The CONTRACTOR must be able to complete the job within 48 hours.
 - b. Print the header, project, tenant, project records, bank information and comments on the rent bill. This information shall be provided every month on two (2) American Standard Code for Information Interchange (ASCII) input files, one (1) for Federal complexes and one (1) for State complexes. The files can be combined and printed as one (1) job.
 - c. Provide double window 10# envelopes and print the HPHA postal permit on the envelopes. The actual number of envelopes shall be commensurate with the number of bills sent out.
 - d. Provide paper and print the bills on white 24#, 8-1/2" x 11" laser stock. The bottom third of the bill will be processed by financial institutions. The bills must be separable by a micro-perforated line at 3-5/8" from the bottom. Magnetic Ink Character Recognition (MICR) characters must be the proper size and font and be readable by Bank of Hawaii, First Hawaiian Bank and American Savings Bank located in the State of Hawaii.
 - e. Print bills using MICR ink on the entire form.



STATE OF HAWAII

SCOPE OF SERVICES

- f. Provide a secured File Transfer Protocol (FTP) site to accept the electronic files. Send Electronic files two (2) to three (3) business days before the end of each month.
- g. Provide some programming to extract bank information from the ASCII files. The total data file may have up to three (3) different banks. Each tenant will have the name of one (1) bank and its routing number printed on the bill. The CONTRACTOR shall make necessary changes to the ASCII file submitted by the HPHA.
- h. Provide additional sheets of paper and printing to handle cases of records that cannot be printed all on one (1) page.
- i. Be compliant with the latest U.S. Postal Service CASS address matching requirements.

The STATE may request additional printings and/or mailing from the CONTRACTOR at the same rates as proposed in the original Bid Offer unless price adjustments are made and approved by HPHA as provided herein.

4. Newsletters and Inserts:

The CONTRACTOR shall:

- a. Print, fold and insert one (1) additional sheet of 24#, 8-1/2x11" laser stock, i.e. monthly one-page newsletter. The newsletter is to be printed in black & white, and double-sided.
- b. Insert necessary additional pre-printed sheets when necessary.
- c. Send monthly newsletter electronic file to the Successful Bidder by a mutually agreed upon deadline.
- d. Provide and deliver additional pre-printed sheets to the Successful Bidder's local company address. Deliveries may be dropped off on the day of printing and processing of the rent bill.

5. IRS 1099 Tax Forms:

The CONTRACTOR shall:

- a. Print, insert and mail approximately 1,200 IRS 1099 forms to the HPHA's vendors by January 31st of each contract period. Printed 1099 forms must meet all IRS requirements, please visit: www.irs.gov for more information.



STATE OF HAWAII

SCOPE OF SERVICES

- b. Provide approximately 1,200 envelopes or equivalent USPS approved mailer. The HPHA postal permit shall be printed on each piece of mail.
- c. Maintain a secured FTP site to accept the electronic files. In mid-January of each Contract period, provide an ASCII file to contain the data for the 1099 forms.
- d. Provide printable electronic copies of all 1099 forms on one (1) data compact disc or dvd on an Annual basis or at the request of HPHA.

6. Minimum Administrative & Qualifications Requirements

a. Administrative

- 1) The CONTRACTOR may be required to attend a minimum of quarterly meetings with the HPHA.
- 2) Every month the HPHA will submit a report to the CONTRACTOR listing any discrepancies or Contract violation(s) which need correction. These discrepancies or Contract violation(s) must be corrected by the next reporting period for payment adjustment purposes.

b. Payment

- 1) Section 103-10, HRS, provides that the HPHA shall have thirty calendar days after receipt of invoice or satisfactory delivery of goods or performance of the services to make payment. The HPHA shall reject any invoice submitted with a condition requiring payment within a shorter period. The HPHA shall reject any invoice submitted with a condition requiring interest payments greater than that allowed by section 103-10, HRS, as amended.
- 2) The CONTRACTOR shall submit a monthly invoice, one (1) original, for services rendered to:

Hawaii Public Housing Authority
Attn: Information Technology Office
1002 N. School Street
Honolulu, HI 96817

Upon receipt of the invoice, the HPHA shall date stamp the invoice and use this receipt date to calculate the thirty (30) day payment period. For the purposes of this paragraph, the Successful Bidder's invoice date shall not be considered.



STATE OF HAWAII

SCOPE OF SERVICES

- 3) All invoices shall reference the Contract number assigned to the Contract. Payment shall be in accordance with section 103-10, HRS, upon certification by the HPHA that the CONTRACTOR has satisfactorily performed the services specified.

Monthly payment shall be made on the basis of actual number of rent bills printed, folded and mailed, the actual number of IRS tax forms printed, folded and mailed, the actual number of newsletters printed, folded and mailed, the actual number of pre-printed material inserted and the programming costs for changing text in the comments section by the CONTRACTOR.

- 4) The CONTRACTOR shall submit invoices for payment not earlier than the first (1st) of month for services provided in the previous month.
- v. For final payment, the CONTRACTOR must submit a valid original tax clearance certificate "Certification of Compliance for Final Payment" (SPO Form-22). A copy of the Form is available at www.spo.hawaii.gov.

The CONTRACTOR shall be required to submit a tax clearance certificate for final payment on the Contract. A tax clearance certificate which is not over two (2) months old together with an original green certified copy stamp, must accompany the invoice for final payment on the Contract.

7. Performance Monitoring & Remedies

1. The performance of work shall be monitored by the HPHA. Performance will be monitored on an ongoing basis by the HPHA through desk monitoring, site inspection and/or other methods.
2. Should the CONTRACTOR fail to comply with the requirements of the Contract, the HPHA reserves the right to engage the services of another company to perform the services, to remedy the defect or failure and to deduct such costs from monies due to the CONTRACTOR or to directly assess the CONTRACTOR.
3. In the event the CONTRACTOR fails, refuses, or neglects to perform the services in accordance with the requirements of this Contract, the HPHA reserves the right to purchase in the open market, a corresponding quantity of services and to deduct this cost moneys due or that may thereafter become due the CONTRACTOR. In case money due to the CONTRACTOR is insufficient for the purpose, the CONTRACTOR shall pay the difference upon demand by the HPHA. The HPHA may also utilize all other remedies provided under the Contract and by law and rules.

8. Failure or refusal of the CONTRACTOR to perform services as required may be grounds to suspend or terminate the Contract as detailed in the General Conditions.



STATE OF HAWAII

COMPENSATION AND PAYMENT SCHEDULE

CONTRACTOR:

1. Subject to the receipt of Federal under the Annual Contributions Contract and Section 161 of the Housing & Community Development Act of 1992 (HCDA 1992), Public Law 102-550, approved October 28, 1992 and the CONTRACTOR's performance of all contractual obligations, the STATE agrees to pay the CONTRACTOR a sum of money not to exceed _____ and ___/100 Dollars (\$ _____) for the Contract period.

Subject to the availability and receipt of State funds and the CONTRACTOR's performance of all contractual obligations, the STATE agrees to pay the CONTRACTOR a sum of money not to exceed _____ and ___/100 Dollars (\$ _____) for the Contract period

The total Contract amount shall not exceed _____ and ___/100 Dollars (\$ _____). See attached and incorporated Exhibit A.

2. Federal funds are subject to appropriation by the U.S. Congress and allocation by the U.S. Department of Housing and Urban Development (HUD). Funding and period of availability may change upon notice by HUD to the STATE. If there should be insufficient funds for any portion beyond the initial Contract period ending September 25, 2015, the STATE may terminate the Contract or revise the amount/quantity of appliances required without penalty.

State funds are subject to appropriation by the State's Director of Finance and allocation by the Governor and/or State Legislature. Funding and period of availability may change upon notice by the STATE. If there should be insufficient state funds for any portion of the Contract period beyond the initial 12-month period ending September 25, 2015, the STATE may terminate without penalty the Contract or may revise the amount/quantity of services required.

3. Upon execution of this Contract, payments shall be paid in accordance with and subject to the following:

- a. The CONTRACTOR shall submit an invoice, one (1) original, for services rendered to:

Hawaii Public Housing Authority
Attn: Information and Technology Office
1002 North School Street
P.O. Box 17907
Honolulu, HI 96817

- b. Section 103-10, HRS, provides that STATE shall have thirty (30) calendar days after receipt of invoice or satisfactory delivery of goods or performance of the services to make payment. The date of the invoice shall be the date received by the STATE.

- d. All invoices shall reference the Contract number assigned to this Contract. Payment shall be in accordance with section 103-10, HRS, upon certification by the Contract Administrator that the CONTRACTOR has satisfactorily provided the services specified.



STATE OF HAWAII

COMPENSATION AND PAYMENT SCHEDULE

Monthly payment shall be made on the basis of actual number of rent bills printed, folded and mailed, the actual number of IRS tax forms printed, folded and mailed, the actual number of newsletters printed, folded and mailed, the actual number of pre-printed material inserted, and the programming costs for changing text in the comments section by the CONTRACTOR on a monthly basis.

- e. Every four (4) weeks or as determined by the HPHA, a report will be submitted to the CONTRACTOR indicating services have been performed satisfactory and/or listing any discrepancies or contract violation(s), which need correction. These discrepancies or Contract violation(s) must be corrected by the next reporting period for payment adjustment purposes. Liquidated damages shall apply for failure to comply.
4. The CONTRACTOR shall be reimbursed at the accepted unit bid price as set forth in Exhibit A. The unit bid price shall be the all inclusive cost to the STATE, including all taxes for services as specified in IFB-ITO-2014-28.

SAMPLE



STATE OF HAWAII

TIME OF PERFORMANCE

CONTRACTOR:

1. The term of this Contract for furnishing printing and mailing services for the monthly tenant rent bills statewide for the Hawaii Public Housing Authority shall be for the period beginning September 26, 2014 and ending on September 25, 2015.
2. No services shall be issued or delivered on this Contract before a Notice to Proceed is issued. Any service performed before the Notice to Proceed shall be at the CONTRACTOR's sole risk and expense.
3. The option to extend the Contract will be at the sole discretion of the STATE. The Contract may be extended without the necessity of rebidding at the same rates as proposed in the original bid offer, unless price adjustments are made and approved as provided in IFB ITO 2014-28 or this Contract:

Initial term of Contract:	12 months starting September 26, 2014
Length of each extension:	Up to twelve months (may be less than twelve months when it is in the best interest of the State)
Maximum length of Contract:	36 months

4. The initial period shall commence on the Contract start date. The following conditions must be met for an extension:
 - a. The CONTRACTOR experienced cost savings and has unexpended funds available that can be used to provide additional services; or
 - b. The STATE determines there is an ongoing need for the services and has funds to extend services of up to 24-months with no extension to exceed a 12-month period. The Contract extension(s) shall be awarded at the same or comparable rates as the Primary Contract. Exceptions shall be granted upon satisfactory justification such as increase in cost of services or cost of living increase as provided herein; and
 - c. A Supplemental Contract must be executed prior to expiration of the Primary Contract; and
 - d. If federal HUD funds are a funding source, the STATE may be required to obtain the U.S. Housing and Urban Development's (HUD) approval in writing of the extension prior to execution of a Supplemental Contract for federal sites only; and
 - e. The CONTRACTOR must obtain written approval and a Notice to Proceed by the STATE with the extension; and
 - f. The STATE has determined that the CONTRACTOR has satisfactorily provided services over the current Contract term; and
 - g. Necessary State and/or Federal funds are appropriated and allotted for an extension.
5. Liquidated damages are fixed at the sum of FIFTY DOLLARS (\$50.00) for each and every day the CONTRACTOR fails to perform in whole or in part any of its obligations. Liquidated damages may be deducted from any payments due or to become due to the CONTRACTOR.



STATE OF HAWAII

**CERTIFICATE OF EXEMPTION
FROM CIVIL SERVICE**

1. By Heads of Departments Delegated by the Director of the Department of Human Resources Development (“DHRD”).*

Pursuant to a delegation of the authority by the Director of DHRD, I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, Hawaii Revised Statutes (HRS).

(Signature)
Hakim Ouansafi

(Print Name)
Executive Director

(Print Title)

(Date)

* This part of the form may be used by all department heads and the heads of attached agencies to whom the Director of DHRD expressly has delegated authority to certify § 76-16, HRS, civil service exemptions. The specific paragraph(s) of § 76-16, HRS, upon which an exemption is based should be noted in the contract file. If an exemption is based on § 76-16(b)(15), the contract must meet the following conditions:

- (1) It involves the delivery of completed work or product by or during a specific time;
- (2) There is no employee-employer relationship; and
- (3) The authorized funding for the service is from other than the "A" or personal services cost element.

NOTE: Not all attached agencies have received a delegation under § 76-16(b)(15). If in doubt, attached agencies should check with the Director of DHRD prior to certifying an exemption under § 76-16(b)(15). Authority to certify exemptions under §§ 76-16(b)(2), and 76-16(b)(12), HRS, has not been delegated; only the Director of DHRD may certify §§ 76-16(b)(2), and 76-16(b)(12) exemptions.

2. By the Director of DHRD, State of Hawaii.

I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to §76-16, HRS.

(Signature)

(Print Name)

(Print Title, if designee of the Director of DHRD)

(Date)



STATE OF HAWAII
SPECIAL CONDITIONS

Contractor:
Properties:

1. The CONTRACTOR shall maintain insurance acceptable to the STATE in full force and effect throughout the term of this Contract. The policies of insurance maintained by the CONTRACTOR shall provide the following coverages:

<u>Coverage</u>	<u>Limit</u>
General Liability Insurance (occurrence form)	\$2,000,000.00 combined single limit per occurrence for bodily injury and property damage.
Automobile Insurance covering all owned, non-owned and hired automobiles.	Bodily injury liability limits of <u>\$1,000,000.00</u> each person and <u>\$1,000,000.00</u> per accident and property damage liability limits of <u>\$1,000,000.00</u> per accident OR \$2,000,000.00 combined single limit.
Workers' Compensation as 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 to all employees of sub-contractors in case any sub-contractor fails to provide adequate similar protection for all his employees.

- a. The State of Hawaii, the Hawaii Public Housing Authority (HPHA), its elected and appointed officials, and employees shall be named as additional insured, except for Professional Liability Insurance and Workers Compensation Insurance, as respects to operations performed for the State of Hawaii under this Contract. The CONTRACTOR agrees to provide the STATE before the effective date of the Contract, certificate(s) of insurance necessary to satisfy the STATE that the CONTRACTOR is in compliance with the insurance provisions of this Contract and to keep such insurance in effect and the certificate(s) therefore on deposit with the STATE during the entire term of this Contract. The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the Contract, including Supplemental Contracts. Upon request by the STATE, the CONTRACTOR shall furnish a copy of the policy or policies.
- b. Failure of the CONTRACTOR to provide and keep in force such insurance shall be regarded as material default under this Contract. The STATE shall reserve its right to exercise any or all of the remedies provided in this Contract for default of the CONTRACTOR.
- c. The procuring of such required policy or policies of insurance shall not be construed to limit the CONTRACTOR's liability hereunder or to fulfill the indemnification provisions and requirements of this Contract. Notwithstanding said policy or policies of insurance, the CONTRACTOR shall be obliged for the



STATE OF HAWAII
SPECIAL CONDITIONS

Contractor:
Properties:

full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Contract.

- d. The CONTRACTOR shall notify the STATE in writing of any cancellation or change in provisions thirty calendar days prior to the effective date of such cancellation or change.
 - e. The STATE is a self-insured State agency. The CONTRACTOR's insurance shall be primary. Any insurance maintained by the State of Hawaii shall apply in excess of, and shall not contribute with, insurance provided by the CONTRACTOR.
 - f. To satisfy the minimum coverage limits required by this Contract, the CONTRACTOR may use an umbrella policy in addition to the mandatory insurance policies (i.e., General Liability Insurance, Automobile Insurance, and Workers' Compensation) provided that the STATE approves, and the umbrella policy follows the underlying coverage forms.
2. The CONTRACTOR shall have a permanent office on the Island of Oahu from where it conducts business and where it will be accessible to telephone calls for complaints or requests that need immediate attention. An answering service is not acceptable.
 3. The STATE shall monitor the performance of work on an ongoing basis through desk monitoring, site inspection and/or other appropriate methods.
 4. Should the CONTRACTOR fail to comply with the requirements of the Contract, the STATE reserves the right to engage the services of another company to perform the services, to remedy the defect or failure and to deduct such costs from monies due to the CONTRACTOR or to directly assess the CONTRACTOR.
 5. In the event the CONTRACTOR fails, refuses, or neglects to perform the services in accordance with the requirements of the Invitation for Bids Number IFB ITO 2014-28 and the Contract, the STATE reserves the right to purchase in the open market, a corresponding quantity of services, and to deduct the cost of procuring such services from the CONTRACTOR this cost and from any monies due or that may thereafter become due the CONTRACTOR. In case money due to the CONTRACTOR is insufficient for the purpose, the CONTRACTOR shall pay the difference upon demand by the STATE. The STATE may also utilize all other remedies provided under the Contract and by law and rules.
 6. If there is a conflict between the General Conditions from HUD 5370-C (05/2006) and General Conditions AG-008, the more restrictive of the two shall apply.