

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

This Contract, executed on the respective dates indicated below, is effective as of
 March 1, 2014, between Hawaii Public Housing Authority,
(Insert name of state department, agency, board or commission)
 State of Hawaii ("STATE"), by its Executive Assistant,
(Insert title of person signing for State)
 (hereafter also referred to as the HEAD OF THE PURCHASING AGENCY or designee ("HOPA")),
 whose address is 1002 North School Street, Honolulu, Hawaii 96817
 and
 ("CONTRACTOR"), a
(Insert corporation, partnership, joint venture, sole proprietorship, or other legal form of the Contractor)
 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 a request for competitive sealed proposals, and has received and reviewed proposals submitted in response to the request.

C. The solicitation for proposals and the selection of the CONTRACTOR were made in accordance with section 103D-303, Hawaii Revised Statutes ("HRS"), Hawaii Administrative Rules, Title 3, Department of Accounting and General Services, Subtitle 11 ("HAR"), Chapter 122, Subchapter 6, and applicable procedures established by the appropriate Chief Procurement Officer ("CPO").

D. The CONTRACTOR has been identified as the responsible and responsive offeror whose proposal is the most advantageous for the STATE, taking into consideration price and the evaluation factors set forth in the request.

E. Pursuant to Section 356D-4, HRS, _____, the STATE
(Legal authority to enter into this Contract)
 is authorized to enter into this Contract.

F. Money is available to fund this Contract pursuant to:

(1) _____
(Identify state sources)

or (2) _____
(Identify federal sources)

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 request for competitive sealed proposals number OED-2014-03 ("RFP") and the CONTRACTOR'S accepted proposal ("Proposal"), 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 RFP and CONTRACTOR'S Proposal.

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 _____ n/a _____ DOLLARS (\$ -0- _____).

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 RFP, including all attachments and addenda; and (3) the Proposal.

7. Liquidated Damages. Liquidated damages shall be assessed in the amount of _____ n/a _____ DOLLARS (\$ -0- _____) 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

CORPORATE SEAL
(If available)

(Name of Contractor)

(Signature)

(Print Name)

(Print Title)

(Date)

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: _____

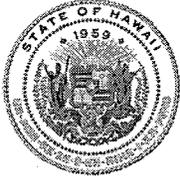
Notary Name: _____ Circuit _____

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:

Project(s): Mayor Wright Homes, 521 North Kukui Street, Honolulu, Hawaii 96817
HPHA Administrative Offices, 1002 North School Street, Honolulu, Hawaii 96817

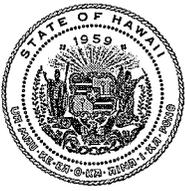
1. It is agreed and understood that the following documents, and any amendments or addenda, comprise the Contract between the parties and governs the work to be performed by the CONTRACTOR for Professional Consulting Services to Redevelop Mayor Homes, and the Hawaii Public Housing Authority's Administrative Offices on the Island of Oahu: (1) CONTRACTOR'S accepted proposal dated _____ and clarifications dated _____; (2) Request for Proposals OED-2014-03 and all addenda; (3) State General Conditions (AG-008 103D General Conditions); (4) Federal General for Non-Construction Contracts (Form HUD-5370-C); and (5) this Contract (which includes Attachments S1, S2, S3, S4, S5, Contractor's Acknowledgment, and Contractor's Standards of Conduct Declaration. These documents are collectively referred to as the "Contract Documents".
2. The CONTRACTOR shall furnish in strict accordance with the Contract all labor and other means necessary to provide professional consultant services to assist the STATE to redevelop Mayor Wright Homes and the Hawaii Public Housing Authority's (HPHA) Administrative Offices located on the island of Oahu in a satisfactory and proper manner as determined by the STATE, and in strict accordance with the terms and conditions of the Contract.
3. It is understood that the HPHA, the Attorney General's Office, the STATE, its auditors, the U.S. Department of Housing and Urban Development, the Legislature and other designated representatives may monitor performance under this Contract. Based on monitoring findings, the CONTRACTOR may be requested to provide additional information or reports not previously requested or required, including a corrective action plan.
4. The CONTRACTOR shall have, at a minimum, a telephone number and electronic mail address from which it conducts business and is accessible by telephone from 8:00 a.m. to 5:00 p.m. Hawaii Standard Time, for meetings, teleconferences, video conferences, concerns or requests that need immediate attention. An answering service is not acceptable.
5. The CONTRACTOR shall provide all the necessary services on behalf of the HPHA, including without limitation, the following:
 - A. **Mayor Wright Homes**
 1. Phase I: Review/Define Development Potential
 - a. Identify key issues affecting the potential redevelopment of the property.
 - b. Outline proposed objectives that the redevelopment project shall be required to achieve, including without limitation, the following:



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- i. Identify possible number and type of different income level units, both on and off-site, taking into consideration the HPHA's identified needs, wait list concerns, limited resources, importance of assisting lower-income non-PHA residents, as well as market units.
 - ii. Identify basic financial constraints and opportunities, including without limitation, the use of tax-credits and/or tax-exempt bond financing, HUD's Rental Assistance Demonstration (RAD) units and HUD's Annual Contributions Contract (ACC) units.
 - c. Conduct and participate in meetings with the HPHA's site planner and/or architect to consider various development options, densities, and site amenities.
 - d. Conduct and participate in meetings with Mayor Wright Homes tenants, HPHA Board of Directors and staff, and outside community/stakeholders for vision and input.
 - e. Conduct and participate in meetings with the U.S. Department of Housing and Urban Development (HUD) to discuss possible HUD assistance in the redevelopment process.
 - f. Prepare pre-development cost estimates which account for all phases of development, design, construction, operations, maintenance, and reserves.
 - g. Conduct and participate in meetings with potential developers or real estate professionals to consider potential of the site, values, phases, and roles.
 - h. Identify various ways that State appropriated funds might be used to include without limitation, constraints and timing issues.
 - i. Outline pros and cons of potential roles the HPHA may play in the development process, given its other priorities and limited resources.
 - j. Assist HPHA staff in the determining of preliminary ranges of sources and uses of funds and identify what may be feasible for the HPHA.
2. Phase II: Assist with Request for Proposals and Contracting Process
- a. Identify, evaluate, and provide various solicitation models that may be used, including without limitation, solicitations provided by the HPHA, other Hawaii experience and from agencies elsewhere.
 - b. Assist HPHA staff in preparing a developer/equity partner request for proposals for either a rehabilitation project or a tear-down/rebuild project, including without limitation, the scope of work and criteria for evaluating the proposals.



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- c. Assist HPHA staff in reviewing and responding to questions received from interested offerors.
- d. Assist HPHA in preparing requests for clarification/best and final offer to interested offerors.
- e. Assist HPHA staff in interview process with selected offerors.
- f. Assist HPHA staff in reviewing and analyzing proposals received in response to the Request for Proposals, including without limitation, the following:
 - i. Experience, qualifications and references;
 - ii. Financial capacity;
 - iii. Resident employment and involvement;
 - iv. Other analyses to assist the selection/evaluation committee to identify a developer/equity partner; and
 - v. Best and Final Offers.
- g. Analyze the submitted proposals including, without limitation, the following:
 - i. Detailed Pro-forma project development budget itemizing all anticipated development costs and sources of funds for mixed-income, mixed-use, multi-family, public and affordable housing redevelopment/rehabilitation.
 - ii. Tax credit equity analysis showing tax benefits and losses over time and calculation of investor's internal rate of return.
 - iii. Detailed Pro-forma analysis and justification of operating expenses and revenues.
 - iv. Cash flow projections and analysis, including preparation of discounted cash flow analysis for real estate projects.
 - v. Market and feasibility analysis, market research.
 - vi. Land and project valuations.
 - vii. Residual land value analysis.
 - viii. Ground lease structuring.

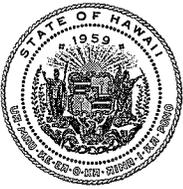


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- ix. Other developer-generated documents.
 - h. Assist HPHA staff with deal structuring, including alternative financing options, assessment of equity participation, alternative ownership positions, and negotiation of public/private development agreements.
 - i. Assist HPHA staff with developer negotiations to include preparing best and final offer for selected offerors.
 - j. Assist HPHA staff with other related services as may be identified.
3. Phase III: Follow Up
- a. Assist HPHA staff throughout the design and development process to ensure that:
 - i. The HPHA's criteria are met at each phase;
 - ii. Issues are identified and resolved in ways allowing the project to proceed while maintaining the HPHA limited resources for other projects;
 - iii. The HPHA's resources are leveraged as effectively as possible; and
 - iv. Implementation of the redevelopment project is successful.
 - b. Outline potential next steps including key parties needed and issues to be addressed.
 - c. Upon request by the HPHA, structure and/or review potential term sheets for use with a selected developer and in negotiating a memorandum of understanding.
 - d. Prepare a specific and detailed budget for uses of State-appropriated funds, including conditions for investing them in the project at each state.
 - e. Provide additional assistance as needed, including without limitation, for follow-ups reports and/or summaries for the HPHA Board of Directors, HUD, Legislature, and other interested stakeholders.

B. HPHA Administrative Offices (School Street)

- 1. Phase I: Review/Define Development Potential
 - a. Identify key issues affecting the potential redevelopment of the property.



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- b. Outline proposed objectives that the redevelopment project shall be required to achieve, including without limitation, the following:
 - i. Identify possible number and type of different income level units, both on and off-site, taking into consideration the HPHA's identified needs, wait list concerns, limited resources, importance of assisting lower-income non-PHA residents, as well as market units.
 - ii. Identify basic financial constraints and opportunities, including without limitation, the use of tax-credits and/or tax-exempt bond financing and other federal programs/initiatives.
 - c. Conduct and participate in meetings with the HPHA's site planner and/or architect to consider various development options, densities, and site amenities.
 - d. Conduct and participate in meetings with HPHA tenants, HPHA Board of Directors and staff, and outside community/stakeholders for vision and input.
 - e. Conduct and participate in meetings with the U.S. Department of Housing and Urban Development (HUD) to discuss possible HUD assistance in the redevelopment process.
 - f. Prepare pre-development cost estimates which account for all phases of development, design, construction, operations, maintenance, and reserves.
 - g. Conduct and participate in meetings with potential developers or real estate professionals to consider potential of the site, values, phases, roles.
 - h. Identify various ways that State appropriated funds might be used to include without limitation, constraints and timing issues.
 - i. Outline pros and cons of potential roles the HPHA may play in the development process, given its other priorities and limited resources.
 - j. Assist staff in the determining of preliminary ranges of sources and uses of funds and identify what may be feasible for the HPHA.
2. Phase II: Assist with Request for Proposals and Contracting Process
- a. Identify, evaluate, and provide various solicitation models that may be used, including without limitation, solicitations provided by the HPHA, other Hawaii experience and from agencies elsewhere.
 - b. Assist HPHA staff preparing a developer/equity partner request for proposals for



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either a rehabilitation project or a tear-down/rebuild project, including without limitation, the scope of work and criteria for evaluating the proposals.

- c. Assist HPHA staff in reviewing and responding to questions received from interested offerors.
- d. Assist HPHA staff in requests for clarification to interested offerors.
- e. Assist HPHA staff in interview process with selected offerors.
- f. Assist HPHA staff in preparing requests for clarification/best and final offer to interested offerors
- g. Assist HPHA staff in reviewing and analyzing proposals received in response to the Request for Proposals, including without limitation, the following:
 - i. Experience, qualifications and references;
 - ii. Financial capacity;
 - iii. Resident employment and involvement; and
 - iv. Other analyses to assist the selection/evaluation committee to identify a developer/equity partner; and
 - v. Best and Final Offers.
- h. Analyze the submitted proposals including, without limitation, the following:
 - i. Detailed Pro-forma project development budget itemizing all anticipated development costs and sources of funds for mixed-income, mixed-use, multi-family, public and affordable housing redevelopment/rehabilitation.
 - ii. Tax credit equity analysis showing tax benefits and losses over time and calculation of investor's internal rate of return.
 - iii. Detailed Pro-forma analysis and justification of operating expenses and revenues.
 - iv. Cash flow projections and analysis, including preparation of discounted cash flow analysis for real estate projects.
 - v. Market and feasibility analysis, market research.
 - vi. Land and project valuations.



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- vii. Residual land value analysis.
 - viii. Ground lease structuring.
 - ix. Other developer-generated documents.
 - i. Assist HPHA staff with deal structuring, including alternative financing options, assessment of equity participation, alternative ownership positions, and negotiation of public/private development agreements.
 - j. Assist HPHA staff with developer negotiations to include preparing best and final offer for selected offerors.
 - k. Assist HPHA staff with other related services as may be identified.
3. Phase III: Follow Up
- a. Assist HPHA staff throughout the design and development process to ensure that:
 - i. The HPHA's criteria are met at each phase;
 - ii. Issues are identified and resolved in ways allowing the project to proceed while maintaining the HPHA limited resources for other projects;
 - iii. The HPHA's resources are leveraged as effectively as possible; and
 - iv. Implementation of the redevelopment project is successful.
 - b. Outline potential next steps including key parties needed and issues to be addressed.
 - c. Upon request by the HPHA, structure and/or review potential term sheets for use with a selected developer and in negotiating a memorandum of understanding.
 - d. Prepare a specific and detailed budget for uses of State-appropriated funds, including conditions for investing them in the project at each state.
 - e. Provide additional assistance as needed, including without limitation, for follow-ups reports and/or summaries for the HPHA Board of Directors, HUD, Legislature, and other interested stakeholders.



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COMPENSATION AND PAYMENT SCHEDULE

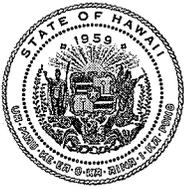
Contractor:

Property(s): Mayor Wright Homes, 521 North Kukui Street, Honolulu, Hawaii 96817
HPHA Administrative Offices, 1002 North School Street, Honolulu, Hawaii 96817

1. Subject to the availability, allocation and receipt of funds, the STATE agrees to pay the CONTRACTOR, a sum of money not to exceed _____ and ___/100 dollars (\$ _____) for services satisfactorily performed under this Contract, for the Contract period comprised as follows:
 - a. Federal funds in the sum of money not to exceed _____ and ___/100 dollars (\$ _____). See Exhibit A.
 - b. STATE funds in the sum not to exceed _____ and ___/100 dollars (\$ _____). See Exhibit A.

See attached Exhibit A, Price Proposal, attached hereto and made an integral part hereof.

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 federal funds for any portion of the remainder of the Contract period ending February 28, 2017, the STATE may terminate without penalty, the Contract or revise the amount/quantity of services required.
3. State funds are subject to rents collected and allocated to the State-Aided Elderly Public Housing program by the Hawaii Public Housing Authority (HPHA) and approved by the State Legislature. The HPHA may request an appropriation by the State's Director of Finance and allocation by the Governor and State Legislature. Funding and period of availability may change upon notice by the STATE. If there should be insufficient funds for any portion of the remainder of the Contract period ending February 28, 2017, the STATE may terminate the Contract or revise the amount/quantity of services required without penalty.
4. Reimbursable expenses shall include, without limitations, expenses for travel related costs, supplies, reproduction costs, postage and photos. Prior to any expenditure for reimbursable costs, the CONTRACTOR shall submit a budget to the STATE. Requests for reimbursement shall include verifiable evidence such as sales receipt(s) of the actual expenditure.
5. In addition to the amounts listed for mixed income/mixed finance consultant services, the STATE agrees to pay reasonable expenses incurred by the CONTRACTOR to fulfill its obligations to the STATE, including travel expenses such as lodging, meals, airfare, ground transportation, mileage and airport parking during the term of this Contract. These expenses shall be covered under the category of Reimbursable Expenses. The CONTRACTOR must obtain prior written approval to incur any travel related costs over the amounts included below for travel related expenses. Travel shall be paid on a reimbursement basis, requires prior written approval by the STATE and shall not exceed a total of \$ _____ for the Contract period. The



STATE OF HAWAII

COMPENSATION AND PAYMENT SCHEDULE

STATE reserves the right to request additional trips by the CONTRACTOR and shall adjust the Contract price accordingly. Travel related expenses shall be reimbursed at the following rates:

Airfare	Reimbursement cost is based on actual price for airfare
Lodging	Not to exceed \$_____ per day
Meals	\$_____ per person, per day
Ground Transportation	Not to exceed \$_____ per day

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

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

Hawaii Public Housing Authority
Attn: Office of the Executive Director
1002 N. School Street
P.O. Box 17907
Honolulu, HI 96817

b. Section 103-10, HRS provides that the STATE shall have thirty (30) calendar days after receipt of invoice or satisfactory delivery of goods or performance of the services to make payment. 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 Offeror's invoice date shall not be considered.

c. 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 performed the services specified.



STATE OF HAWAII
TIME OF PERFORMANCE

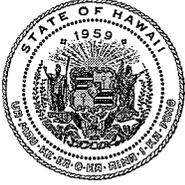
Contractor:

Property(s): Mayor Wright Homes, 521 North Kukui Street, Honolulu, Hawaii 96817
HPHA Administrative Offices, 1002 North School Street, Honolulu, Hawaii 96817

1. The term of this Contract for Professional Consultant Services Coordinator Services to Redevelop Mayor Wright Homes and the Hawaii Public Housing Authority's Administrative Offices on the island of Oahu begins on March 1, 2014 and ends on February 28, 2017 upon issuance of the Notice to Proceed.
2. No services shall be performed on this Contract prior to March 1, 2014 or upon issuance of the Notice to Proceed.
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 proposal unless price adjustments are made and approved as provided herein:

Initial term of contract:	36 months
Length of each extension:	Up to 12 months
Maximum length of contract:	48 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 pay for the extension of contracted services, not to exceed 6 months. A Contract extension shall be awarded at the same or comparable rates as the Primary Contract;
 - c. A Supplemental Contract must be executed prior to expiration of the Primary Contract; and
 - d. The CONTRACTOR must obtain the STATE's approval in writing and a notice to proceed with the extension; and
 - e. The STATE has determined that the CONTRACTOR has satisfactorily provided service over the current Contract term; and
 - f. The STATE may be required to obtain HUD approval in writing of the extension prior to execution of a Supplemental Contract.



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:

Project(s): Mayor Wright Homes, 521 North Kukui Street, Honolulu, Hawaii 96817
HPHA Administrative Offices, 1002 North School Street, Honolulu, Hawaii 96817

- 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>
Commercial General Liability	<u>\$2,000,000</u> single limits per occurrence for bodily injury and personal property damage.
Personal Injury Liability	<u>\$1,000,000</u> single limits per occurrence <u>\$2,000,000</u> for general aggregate
Automobile Insurance covering all owned, non-owned and hired automobiles.	Bodily injury liability limits of <u>\$1,000,000</u> each person and <u>\$1,000,000</u> per accident and property damage liability limits of <u>\$1,000,000</u> per accident OR \$2,000,000 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 (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)	<u>\$1,000,000</u> per claim <u>\$2,000,000</u> annual aggregate

- a. The State of Hawaii, the HPHA, its elected and appointed officials, employees, and volunteers are added as additional insured with respect to operations performed 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 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. 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 a material default under this Contract, entitling the STATE to exercise any or all of the remedies provided in this Contract for default of the CONTRACTOR.



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- 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 full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Contract.
 - d. To satisfy the minimum coverage limits required by this Contract, the Successful Offeror 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 HPHA approves, and the umbrella policy follows the underlying coverage forms.
 - e. 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.
2. The Hawaii Public Housing Authority 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.
 3. The work to be performed under this Contract is subject to the requirement of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
 4. The STATE shall monitor the performance of work on an ongoing basis through desk monitoring, and/or other appropriate methods.
 5. 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.
 6. In the event the CONTRACTOR fails, refuses, or neglects to perform the services in accordance with the Contract Documents, the STATE reserves the right to purchase in the open market, a corresponding quantity of services, and to deduct this cost from any monies due or that may thereafter become due the CONTRACTOR the cost to the STATE of procuring such services. 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.