Hawaii Public Housing Authority
State of Hawaii

RFP PMB-2011-26

Request for Proposals for Property Management, Maintenance and Resident Services for the Federal Low-Income Public Housing Complex under Asset Management Project 50 on the Island of Oahu

Issued August 30, 2011

EQUAL HOUSING OPPORTUNITY

Notice to Offerors
(Chapter 103D, Hawaii Revised Statutes)

REQUEST FOR PROPOSALS (RFP) No. RFP PMB-2011-26

Notice is hereby given that pursuant to Chapter 103D, Hawaii Revised Statutes ("HRS"), the Hawaii Public Housing Authority ("HPHA"), will be accepting sealed proposals for: **Property Management, Maintenance and Resident Services for the Federal Low-Income Public Housing Complex under Asset Management Project 50 on the Island of Oahu.** The area of service consists of property management, maintenance and resident services of the HPHA properties under Asset Management Project 50 is as follows:

Palolo Valley Homes (Family)	118 units	2107 Ahe Street, Honolulu, HI 96817

The Request for Proposals may be picked up at the HPHA's Contract and Procurement Office on Oahu located at 1002 North School Street, Building D, Honolulu, Hawaii 96817 beginning on August 30, 2011. Interested offerors must be licensed in the State of Hawaii to manage real property and have experience in managing affordable rental housing projects.

The HPHA's Contract and Procurement Office will conduct a Pre-Proposal Conference from 9:00 a.m. to 10:00 a.m. Hawaii Standard Time (HST) at the HPHA Building E Conference Room located at 1002 North School Street, Honolulu, Hawaii 96817 on Friday, September 9, 2011 with a site inspection to follow at approximately 10:30 a.m. HST. The HPHA strongly recommends that all interested offerors attend.

Sealed proposals will be received at the HPHA's Central Files Office at 1002 N. School Street, Bldg D, Honolulu, Hawaii 96817 until 4:00 p.m. HST on Friday, September 30, 2011. Electronic mail and facsimile transmissions **shall not** be accepted. The official time shall be that which is recorded on the time stamp clock of the HPHA for hand-delivered proposals. Deliveries by private mail services, such as Federal Express, shall be considered hand deliveries. All mail-in proposals delivered/postmarked by the United States Postal Service **must be received** no later than 4:00 p.m. HST on Friday, September 30, 2011.

The HPHA reserves the right to reject any or all proposals and to accept the proposals in whole or part in the best interest of the State. Questions relating to this solicitation shall be directed to Mr. Rick Sogawa at (808) 832-6038.

HAWAII PUBLIC HOUSING AUTHORITY

Denise M. Wise
Executive Director

EQUAL HOUSING OPPORTUNITY

RFP Table of Contents

Section 1 – Administrative Overview

I. Authority 1
II. RFP Organization 1
III. Contracting Office 2
IV. Procurement Timeline 2
V. Pre-Proposal Conference and Site Inspection 3
VI. Submission of Questions 3
VII. Submission of Sealed Proposals 3
VIII. Discussions with Offerors Prior to Submission 6
IX. Opening of Proposals 6
X. Additional Materials and Documentation 6
XI. RFP Amendments 7
XII. Additional Terms and Conditions 7
XIII. Cancellation of Request for Proposals 7
XIV. Costs for Proposal Preparation 7
XV. Mistakes in Proposals 7
XVI. Rejection of Proposals 7
XVII. Notice of Award 8
XVIII. Protests 8
XIX. Availability of Funds 9
XX. Monitoring and Evaluation 9
XXI. General and Special Conditions of the Contract 10
XXII. Cost Principles 10

Section 2 – Scope of Work and Specifications

I. Introduction
- A. Purpose or Need 12
- B. Area of the Service 12
- C. Funding Source and Period of Availability 13

II. General Requirements
- A. Qualifying Requirement 13
- B. Type of Contract 18
- C. Single or Multiple Contracts to be Awarded 20
- D. Single or Multi-Term Contracts to be Awarded 20
- E. Contract Price Adjustments 21

III. Contract Monitoring
- A. Monitoring 21
- B. Damages 22
- C. Termination 22

IV. Scope of Work
A. Management Requirements 22
B. Public Housing Assessment System 23
C. Administrative Requirements & Qualifications 24
D. Property Management Services 30
E. Personnel 39

Section 3 – Proposal Forms and Instructions

I. General Instructions 42
II. Proposal Forms 43
III. Proposal Application 44
IV. HUD Forms 49
V. General Conditions 50

Section 4 – Proposal Evaluation and Award

I. Evaluation Criteria 52
II. Mandatory Requirements 54
III. Financial Review 54
IV. Technical Review 54

Section 5 – Attachments

1. Summary of Physical Characteristics of Asset Management Project 50 Complex
2. Asset Management Project 50 Complex Site Map
3. Sample of Various Reporting Forms
4. Federally-Assisted Housing Projects, HAR, Title 17, Subtitle 5, Chapter 2028
5. HPHA Rent Collection Policy and Procedures
6. Eviction Procedures, HAR, Title 17, Subtitle 5, Chapter 2020
7. Grievance Procedures, HAR, Title 17, Subtitle 5, Chapter 2021
8. HPHA Pet Ownership Policy for Federal Public Housing Projects
9. HPHA Implementation of Public Housing Resident Community Service Requirements
10. Sample Rental Agreement for Federal Public Housing
11. Sample Project Rules
12. Sample Contract for Goods and Services Based on Competitive Sealed Proposals
13. Sample Contract – Attachment S1, Scope of Services
14. Sample Contract– Attachment S2, Compensation and Payment Schedule
15. Sample Contract – Attachment S3, Time of Performance
16. Sample Contract – Attachment S4, Certificate of Exemption from Civil Service
17. Sample Contract – Attachment S5, Special Conditions
18. General Conditions, State AG-008 Rev 4/15/2009
19. General Conditions, Federal form HUD 5370-C
20. Sample Operating Budget Form
21. Price Proposal Format

22. Wage Certificate for Service Contracts
23. Current Wage Rates and Position Descriptions
24. Examples of Project & Management Fee Costs
25. Instructions to Offerors Non-Construction, form HUD 5369-B
26. Certifications and Representations of Offerors, form HUD 5369-C
27. Competitively Sealed Proposals Application Identification Form
28. Hawaii State Government 2011/2012 Holiday Schedule

Section 1
Administrative Overview

Section 1
Administrative Overview

I. Authority

The Hawaii State Legislature established the Hawaii Public Housing Authority (hereinafter "HPHA") under Chapter 356D, Hawaii Revised Statutes (HRS). The HPHA consolidates all low income housing and homeless functions and is administratively attached to the Department of Human Services. The HPHA is a public body and a body corporate and politic of the State of Hawaii. The HPHA's role is to address the housing needs of families in Hawaii. The HPHA seeks to competitively procure property management, maintenance and resident services for the federally funded low-income public housing complexes in Honolulu under Asset Management Project 50 (hereinafter "AMP 50").

A determination has been made that the HPHA is unable to secure services through a low bid process. Factors included in the determination were 1) Price is not the primary consideration in determining an award; 2) The resulting Contract needs to be other than a fixed-price type; 3) The specifications for the services cannot be sufficiently described through a low bid process; 4) Oral or written discussions need to be conducted with interested offerors concerning their proposals; 5) Interested offerors may need to revise their proposals, including price; and 6) The award needs to be based on a comparative evaluation in order to determine the most advantageous offering to the State. To that end, a low bid process is not practicable to the State to secure property management, maintenance and resident services for AMP 50.

This Request For Proposals (hereinafter "RFP") is issued under the provisions of Chapter 103D, HRS, the related administrative rules, and the United States Department of Housing and Urban Development's (hereinafter "HUD") regulations. Interested offerors are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any interested offeror shall constitute admission of such knowledge on the part of such interested offeror.

II. RFP Organization

This RFP is organized into five (5) sections:

Section 1	Administrative Overview – Provides interested offerors with an overview of the procurement and contracting process.
Section 2	Scope of Work and Specifications – Provides interested offerors with a general description of the tasks to be performed, delineates interested offeror's responsibilities, and defines deliverables as applicable.
Section 3	Proposal Form and Instructions – Describes the required format and content for the proposal.
Section 4	Proposal Evaluation & Award– Describes how proposals will be evaluated.
Section 5	Attachments

III. Contracting Office

The Contracting Office is responsible for overseeing the procurement and issuing the Contract resulting from this RFP. The Contracting Office is:

Hawaii Public Housing Authority
Contract and Procurement Office
1002 North School Street, Bldg. D
Honolulu, Hawaii 96817 Telephone: (808) 832-6038

The RFP Coordinator or his/her designated representative is listed below:

Rick Sogawa
Hawaii Public Housing Authority
Contract and Procurement Office
1002 North School Street, Bldg. D
Honolulu, Hawaii 96817

Telephone: (808) 832-6038 Email: rick.t.sogawa@hawaii.gov
Fax: (808) 832-6039

The HPHA reserves the right to change the RFP Coordinator without prior written notice.

The Property Management and Maintenance Services Branch (PMMSB) is the office responsible for administering and monitoring the Contract. The designated Contract Administrator or his/her designated representative is responsible for monitoring the activities performed under the Contract and is listed as follows:

Earl Nakaya
Hawaii Public Housing Authority
Property Management and Maintenance Services Branch
1002 North School Street, Bldg. E
Honolulu, Hawaii 96817 Telephone: (808) 832-4677

Any changes to the Contract Administrator or his/her designated representative shall be provided in writing to the Successful Offeror. The HPHA reserves the right to make changes to the Contract Administrator. Once the Successful Offeror has assumed management responsibilities for AMP 50, all communications regarding approvals, reports, and requests will be directed to the Contract Administrator.

IV. Procurement Timeline

Activity	Scheduled Dates
Public notice announcing RFP	August 29, 2011
Distribution of proposal specs/proposal form	August 29, 2011
Pre-Proposal Conference and Site Inspection	September 9, 2011

Deadline to submit written inquires	September 16, 2011
State response to written inquires	September 21, 2011
Proposal submittal deadlines	September 30, 2011
Proposal review	October 2011
Notice of award	October/November 2011
Contract execution	November 2011
Start of services	December 1, 2011, 12:01 p.m.

The HPHA reserves the right to amend or revise the timetable without prior written notice when it is in the best interests of the State.

V. Pre-Proposal Conference and Site Inspection

The HPHA's Contract and Procurement Office will conduct a Pre-Proposal Conference from 9:00 a.m. to 10:00 a.m. Hawaii Standard Time (HST) at the HPHA Building E Conference Room, 1002 North School Street, Honolulu, Hawaii 96817 and a site inspection at approximately 10:30 a.m. HST on Friday, September 9, 2011. The HPHA strongly recommends that all interested offerors attend.

Prior to submittal of a proposal, it is highly recommended that interested offerors inspect the complex sites to familiarize themselves with existing conditions, and the extent and nature of work to be performed. No additional compensation will be allowed by reason of any misunderstanding or error regarding site conditions, project layout or work to be performed.

Impromptu questions will be permitted at the Pre-Proposal Conference and site inspection and verbal answers provided. Verbal answers provided by the HPHA are not binding and only intended for general direction purposes. Written formal official responses to substantive questions will be provided in writing to each interested offeror as set forth in Section VI herein below no later than September 21, 2011. Any changes required will be issued as an addendum to this RFP.

VI. Submission of Questions

Interested offerors may submit questions to the RFP Coordinator identified in Section 1 of this RFP. The deadline for submission of written questions is 4:30 p.m. HST, on September 16, 2011. All written questions will receive a written response from the HPHA. The HPHA does not guarantee receipt of questions submitted via electronic mail. The HPHA's responses to interested offeror's written questions will be sent no later than September 23, 2011.

VII. Submission of Sealed Proposals

A. **Forms/Formats.** Proposal forms and formats such as price proposal are included in Section 5 – Attachments of this RFP.

Interested offerors shall also follow the U.S. Department of Housing and Urban Development's Instructions to Offerors Non-Construction form HUD 5369-B and Certifications and Representations of Offers Non-Construction Contract, form HUD 5369-C. The instructions can be downloaded from HUD Clips at www.hudclips.org and is an attachment to this proposal. See Attachments 25 and 26.

B. **Proposal Submittal.** Proposals must be postmarked by the United States Postal Service (USPS) or hand delivered by the date and time designated in this RFP. Any proposals post-marked or received after the designated date and time shall be rejected. **Electronic submissions such as electronic mail and facsimile transmissions shall not be accepted.**

The register of proposals and proposals shall be open to public inspection after the award of the Contract.

C. **Pre-opening Modification or Withdrawal**. Proposals may be modified or withdrawn prior to the deadline for submittal of proposals by written notice to modify or withdraw the proposal. All requests for modifications shall be sealed, accompanied by the actual modifications to the proposals and signed by an authorized representative.

The written request must be submitted to the HPHA, Contract and Procurement Office, 1002 North School Street, Bldg D, Honolulu, Hawaii 96817 and time stamped by the HPHA. Modifications and/or withdrawals shall be clearly marked and must be received by the HPHA no later than 4:00 p.m. HST on September 30, 2011.

D. **Wages and Labor Law Compliance**. Prior to entering into a Contract in excess of $25,000, an interested offeror shall certify that it complies with section 103-55, HRS, Wages, hours, and working conditions of employees of contractors performing services. Section 103-55, HRS provides that the services to be performed shall be performed by employees paid at wages not less than wages paid to public officers and employees for similar work. Interested offerors are further advised that in the event of an increase in wages for public employees performing similar work during the period of the Contract, the Successful Offeror shall be obligated to provide such increased wages.

Interested offerors shall complete and submit the attached Wage Certification certifying that the services required will be performed pursuant to section 103-55, HRS. See Attachment 22.

The Contractor shall be further obligated to notify his employees performing work under this Contract regarding the provisions of section 103-55, HRS, and the current wage rates for public employees performing similar work. The Contractor may meet this obligation by posting a written notice to this effect in the Contractor's place of business in an area accessible to all employees.

Interested offerors are strongly encouraged to account for salary increases as posted by the State Department of Human Resources Development (DHRD). The **HPHA will consider requests for increases as a result of wage increases to public officers and employees during the contract period or any option period that are not published.** At the release of this solicitation, the effective wages through March 1, 2009 for State employees performing similar work have been published by the DHRD.

If wages increase after the execution of the Contract, the Successful Offeror may request an increase in Contract price in order to correspondingly increase the wages of the offeror's employees performing the work, including any increase in costs for benefits required by law that are automatically increased as a result of increased wages, such as federal old age benefits, workers' compensation, temporary disability insurance, unemployment insurance, and prepaid health insurance.

The Contractor shall not be paid for any reimbursement of retroactive pay negotiated by the State. The Contractor's request for the increase must meet the following criteria:

1. At the time of the offer, if the Successful Offeror's hourly wage rate is greater than the prevailing State wage, the Successful Offeror's requests for increase will not be considered.

2. At the time of the request, the Successful Offeror must or must have provided documentation to show that it is in compliance with Section 103-55, HRS, (i.e. its employees are being paid no less than the known wage of the State position listed herein). Documentation shall include the employees payroll records and a statement that the employees are being utilized for this Contract.

3. Request for an increase must be made in writing to the HPHA on a timely basis:

    i. Request for increase for the initial Contract period must be made as soon as practicable after the State wage agreements are made public. Approved requests will be retroactive to the date of increase for the State employees with adequate documentation that the Successful Offeror provided its employees a wage increase.

    ii. Request for increase for an option period of the Contract must be made prior to the start of the option period. To obtain the current wage information download the information from the Department of Human Resource Development's website at the following address:

    http://www.hawaii.gov/hrd/main/HRDInfoCentral/DocCentral/SalarySchdules

It is the sole responsibility of the Contractor to comply with section 103-55, HRS.

E. **Confidential Information.** If an interested offeror believes that any portion of a proposal contains information that should be withheld as confidential, the interested offeror shall request in writing nondisclosure of designated proprietary data to be confidential and provide justification to support confidentiality. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal documents to facilitate eventual public inspection of the non-confidential sections of the proposal documents. Note that **price and the provision of the minimum required services are not considered confidential and will not be withheld.**

Interested offerors that chose to identify portions of their proposal as confidential, shall be responsible to ensure that the minimum services are not included. The HPHA will not make any determination of confidentiality for the interested offeror.

If a proposal is marked confidential in its entirety, the HPHA will not make a determination of confidentiality and will refer the request for information to the State's Office of Information Practices.

F. **Exceptions.** Interested offerors shall list any exceptions taken to the terms, conditions, specifications, or other requirements listed herein. Interested offerors must reference the RFP section where the exception is taken, a description of the exception taken, and any proposed alternative. The HPHA shall retain the right to grant exceptions to discretionary policies. Requests for exceptions to State, Federal, or local laws shall not be approved.

G. Information shall be made confidential as permitted by law.

VIII. Discussion with Offerors Prior to Proposal Submission

Discussions may be conducted with interested offerors to promote understanding of the HPHA's requirements.

IX. Opening of Proposals

Upon receipt of proposals by the HPHA at the designated location, proposals, modifications to proposals, and withdrawals of proposals shall be date-stamped, and whenever possible, time-stamped. All documents so received shall be held in a secure place by the HPHA and shall not be examined for evaluation purposes until the submittal deadline. Procurement files shall be open to public inspection after a contract has been awarded and executed by all parties. Sealed proposals shall not be opened at a public proposal opening.

X. Additional Materials and Documentation

Proposal samples or descriptive literature should not be submitted unless specifically requested within the RFP. Any unsolicited documentation, literature, samples, or

brochures will not be examined or tested, and will not be deemed to vary any of the provisions of this RFP.

XI. RFP Amendments

The HPHA reserves the right to amend this RFP at any time prior to the closing date for the final revised proposals. Interested offerors will be notified of the availability of amendments through verbal or written communication.

XII. Additional Terms and Conditions

The HPHA reserves the right to add terms and conditions during contract negotiations and discussions. These terms and conditions may be within the scope of the RFP and will not affect the proposal evaluation.

XIII. Cancellation of the Request for Proposals

The RFP may be canceled and any or all proposals may be rejected in whole or in part, when determined by the HPHA to be in the best interests of the State.

XIV. Costs for Proposal Preparation and Verification

Any costs incurred by interested offerors in preparing or submitting a proposal are the interested offeror's sole responsibility. Any costs incurred by the Successful Offeror prior to the execution of a Contract are not eligible for reimbursement.

Costs incurred in connection with the review, inspection and verification of information provided in the RFP shall be the interested offeror's sole responsibility.

Interested offerors shall ensure that the HPHA is provided with the written authorization(s) necessary to verify information provided in the interested offeror's proposal.

XV. Mistakes in Proposals

While interested offerors are bound by their proposals, circumstances may arise where a correction or withdrawal of proposals is proper. An obvious mistake in a proposal may be corrected or withdrawn, or waived by the interested offeror to the extent that it is not contrary to the best interest of the HPHA or to the fair treatment of other interested offerors. Mistakes in proposals shall be handled as provided for in section 3-122, Hawaii Administrative Rules (HAR) and HUD requirements at Handbook 7460.8.

XVI. Rejection of Proposals

The HPHA reserves the right to consider as acceptable only those proposals submitted in accordance with the requirements set forth in this RFP and which demonstrate an

understanding of the service specifications. Any proposal offering may be rejected without further notice if it is:

1. Determined to be unreasonable in price, including not only the total price of the proposal, but the prices for individual items as well; or

2. Determined to offer a set of terms or conditions that are contradictory to the minimum requirements included in this RFP.

XVII. Notice of Award

Any Contract arising out of this solicitation is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, including the approval of HUD as may be required by statute, regulation, rule, order or other directive.

The Successful Offeror shall receive a Notice of Award, which will indicate that the Successful Offeror has been selected to provide property management and maintenance services under this RFP.

No work is to be undertaken by the Successful Offeror prior to the Contract commencement date. The HPHA is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Successful Offeror prior to the Contract starting date.

Reference Responsibility of Offeror in section 3-122-112, HAR. Offeror shall produce documents to the procurement officer to demonstrate compliance with this section.

The Successful Offeror receiving award shall be required to enter into a formal written Contract. The General Conditions of the Contract are attached and minimum service specifications are included herein. See Attachment 18.

XVIII. Protests

Pursuant to HRS §103-71, an actual or prospective offeror who is aggrieved in connection with the solicitation or award of a contract may submit a protest. An actual or prospective offeror may protest the solicitation or award of services only for a serious violation of procurement policies and operational procedures. Only the following matters may be protested:

(1) A state purchasing agency's failure to follow procedures established by Chapter 103D, HRS.

(2) A state purchasing agency's failure to follow any rule established by Chapter 103D, HRS.

(3) A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in a request for proposals issued by the state purchasing agency.

The Notice of Protest shall be mailed by USPS or hand delivered to the head of the State Contracting Office conducting the protested procurement and the Procurement Officer who is conducting the procurement (as indicated below) 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 wrting prior to the date set for receipt of offerors. Further provided that a protest of an award or proposed award shall be submitted within five (5) days after the posting of award of the contract. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of actual receipt by the State Contracting Office. The notice of award letter(s), if any resulting from this solicitation shall be posted on the Procurement Reporting System on the State Procurement Office website at http://www.hawaii.gov/spo2/source/.

Head of State Contracting Office		**Procurement Officer**	
Name:	Denise M. Wise	Name:	Rick T. Sogawa
Title:	Executive Director	Title:	Acting Procurement Officer
Mailing Address:	P.O. Box 17907 Honolulu, Hawaii 96817	Mailing Address:	P.O. Box 17907 Honolulu, Hawaii 96817
Business Address:	1002 N. School St, Bldg. E Honolulu, Hawaii 96817	Business Address:	1002 N. School St, Bldg. D Honolulu, Hawaii 96817

XIX. Availability of Funds

The award of a Contract and any allowed renewal or extension thereof, are subject to allotments made by the Director of Finance, State of Hawaii, pursuant to Chapter 37, HRS, and subject to the availability and allotment of State and/or Federal funds.

XX. Monitoring and Evaluation

The Successful Offeror's performance under the Contract will be monitored and evaluated by the Contract Administrator or his/her designated representative, HUD, the HPHA's auditors, the Legislature, and/or other designated representatives.

Failure to comply with all material terms of the Contract may be cause for suspension or termination as provided in the General Conditions. See Attachment 18. The Successful Offeror may be required to submit additional written reports, including a corrective action plan, in response to monitoring conducted by the HPHA. These additional reports shall not be considered a change to the scope of work and shall continue for a duration of time as deemed necessary by the HPHA.

The HPHA reserves the right to make periodic inspections of all facilities, records, files, etc. within AMP 50 to ensure that administrative policies and property management and program concerns are properly considered and adequately addressed. The HPHA will

make available to the Successful Offeror all appropriate findings, which affect the management and maintenance of AMP 50 or its budget and advise the Successful Offeror of any corrective actions required.

The HPHA may also withhold the payment of management fees, without being required to pay interest for late payment, if the Successful Offeror fails to submit and implement a corrective action plan in response to findings by the HPHA or if the Successful Offeror fails to demonstrate improvement in performance after implementing its corrective action plan.

The HPHA will conduct a review of financial activity for AMP 50 on a monthly basis to assess budget performance and to make budget adjustments. Special budget review sessions may be conducted by the HPHA, from time to time.

XXI. General and Special Conditions of Contract

The general conditions that will be imposed contractually are included as an attachment. The State's General Conditions set forth in Attachment 18, may also be found on the State Procurement Office (SPO) website at www.spo.hawai.gov. The HUD General Conditions set forth in Attachment 19, may also be found on the HUD website at www.hud.gov.

Special conditions may be imposed by the HPHA. The HPHA reserves the right to make small or major modifications to the quantity of items or reporting requirements contingent upon unforeseen conditions.

XXII. Cost Principles

The HPHA shall utilize standard cost principles at section 3-123, HAR which are available on the SPO website. Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

(END OF SECTION)

Section 2
Scope of Work & Specifications

Section 2
Scope of Services

I. Introduction

A. Purpose or need

The public housing program was established in 1937 to provide decent and safe rental housing for low income families. In 1998, the Congress established a new Operating Fund Program. As part of that legislation, the Congress directed HUD to develop a formula for determining operating subsidies through negotiated rule-making with Public Housing Authorities, industry groups, and other affected parties. The Congress further directed HUD to contract with Harvard University's Graduate School of Design to "conduct a study of the costs to operate well-run public-housing." The Harvard "Cost Study" was completed in 2003 and recommended that public housing adopt a business model similar to multifamily housing, with project-based budgeting, project-based accounting, and project-based management. This business model became known as "asset management."

There are five (5) core elements or building blocks of asset management, including:

1. Project-based Funding;
2. Project-based Budgeting;
3. Project-based Accounting;
4. Project-based Management; and
5. Project-based Oversight and Performance Assessment.

The purpose of this RFP is to procure property management, maintenance and resident services to manage, operate and maintain the federal low-income public housing complexes within the HPHA's Asset Management Project 50 (hereinafter "AMP 50").

The HPHA intends to focus on performance results through measurements including but not limited to, occupancy rate, amount and percentage of rent collected, and tenant satisfaction. The HPHA expects the Successful Offeror to fully execute its business practices consistent with quality standards and will judge performance on the basis of outcome.

The Successful Offeror shall manage AMP 50 in accordance with asset management. In order to be financially viable, the Successful Offeror shall manage within the projected revenue and expenses for AMP 50.

B. Area of Service

The Successful Offeror shall be required to provide property management, maintenance and resident services on the island of Oahu under AMP 50 as follows:

- Palolo Valley Homes (Family) — 119 units — 2107 Ahe Street, Honolulu, HI 96816

Attached is a description and site map of the complex. See Attachments 1 and 2.

C. Funding source and period of availability

Funds are subject to appropriation by the State's Director of Finance and/or U.S. Congress and allocation by the Governor, State Legislature and/or the U.S. Department of Housing and Urban Development (HUD). Funding and period of availability may change upon written notice by the HPHA.

It is understood that the Contract shall not be binding unless the HPHA can document that there is available an unexpended appropriation or balance of an appropriation over and above all outstanding contracts sufficient to cover the amount required by the Contract. Any Contract entered into as a result of this RFP is binding only to the extent that funds are certified as available and that the availability of funds in excess of the amount certified as available shall be contingent upon future appropriations or special fund revenues.

It has been determined that there are sufficient funds to pay for the initial term of the Contract and the funds necessary for the remaining terms of the Contract are likely to be available from HUD. Pursuant to section 103D-315, HRS, the HPHA reserves the right to cancel the Contract when future funds are not available to support continuation of performance in subsequent Contract periods. Nothing in this RFP shall be interpreted to mean that the State shall be liable to pay for services at the federal public housing complexes of AMP 50 with State funds.

II. General Requirements

A. Qualifying Requirements

1. The Successful Offeror shall comply with Chapter 103D, HRS Cost Principles for Purchase of Goods and Services. The Successful Offeror shall also comply with applicable HUD rules at Handbook No. 2210.18.

2. The Successful Offeror must have no outstanding balances owing to the HPHA. Exceptions may be granted by the Executive Director of the HPHA for debts recently acquired and for debts which have a repayment plan approved by the Executive Director of the HPHA.

3. Interested offerors are advised that if awarded a Contract, the Successful Offeror must furnish proof of compliance with the requirements of section 3-122-112, HAR:
   - Chapter 237, HRS, tax clearance;

- Chapter 383, HRS, unemployment insurance;
- Chapter 386, HRS, workers' compensation;
- Chapter 392, HRS, temporary disability insurance;
- Chapter 393, HRS, prepaid health care; and
- One of the following:

  i. Be registered and incorporated or organized under the laws of the State of Hawaii (hereinafter referred to as a "Hawaii business").

  Hawaii business. A business entity referred to as a "Hawaii business" is registered and incorporated or organized under the laws of the State of Hawaii. As evidence of compliance, the interested offeror shall submit a CERTIFICATE OF GOOD STANDING issued by the Department of Commerce and Consumer Affairs Business Registration Division (BREG). A Hawaii business doing business as a sole proprietorship is not required to register with the BREG, and therefore not required to submit the certificate. A Successful Offeror's status as sole proprietor or other business entity and its business street address will be used to confirm that the Successful Offeror is a Hawaii business.

  ii. Be registered to do business in the State of Hawaii (hereinafter referred to as a "compliant non-Hawaii business").

  Compliant non-Hawaii business. A business entity referred to as a "compliant non-Hawaii business," is not incorporated or organized under the laws of the State of Hawaii but is registered to do business in the State. As evidence of compliance, the interested offeror shall submit a *CERTIFICATE OF GOOD STANDING.*

  The above certificates should be applied for and submitted with the interested offeror's proposal to the HPHA. If a valid certificate is not timely submitted for award of a Contract, a proposal otherwise responsive and responsible may not receive the award.

4. **Business Office**

The Successful Offeror shall have a permanent office in Hawaii 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. A permanent office location and phone number shall be stated in the interested offeror's proposal.

5. **Certifications of Eligibility**

The Successful Offeror shall submit the following documents with their proposal to the HPHA to demonstrate compliance with State laws:

i. Tax Clearance, Form A-6;
ii. Department of Labor and Industrial Relations, Application for Certificate of Compliance, Form LIR #27; and
iii. Certificate of Good Standing issued by the Department of Commerce and Consumer Affairs Business Registration Division (BREG).

The Successful Offeror shall submit the above information using the Hawaii Compliance Express (HCE), which allows businesses to register online through a simple wizard interface at:

http://vendors.ehawaii.gov/hce/splash/welcome.html

The HCE provides the applicant with a "Certificate of Vendor Compliance" with current compliance status as of the issuance date, accepted for both contracting purposes and final payment. Vendors that elect to use the new HCE services will be required to pay any annual fee of $12.00 to the Hawaii Information Consortium, LLC (HIC).

6. **Indemnification**

The Successful Offeror shall defend, indemnify, and hold harmless the State of Hawaii, the HPHA, its elected and appointed officials, officers, and employees, from and against all liability, loss, damage, cost, and expense, including all attorneys' fees, and all claims, suits, and demands therefore, arising out of or resulting from the acts or omissions of the Successful Offeror or the Successful Offeror's officers, employees, agents or subcontractors.

7. **Insurance Requirements**

Within fifteen days (15) after award of the Contract and prior to the execution of the Contract, the Successful Offeror shall furnish to the Contracting Officer certificate(s) of insurance as evidence of the existence of the following insurance coverage in amounts not less than the amounts specified. This insurance must be maintained throughout the entire performance period.

i. Workers' Compensation

The Successful Offeror shall carry Workers' Compensation insurance in such form and amount to satisfy, the applicable the State Workers' Compensation Law. Workers' Compensation must be issued by an admitted carrier authorized to do business in the State of Hawaii. Workers' Compensation

insurance premium expense for AMP 50 personnel will be reimbursed by the HPHA, up to the amounts submitted as part of the proposal.

ii. Fidelity Bond

The Successful Offeror shall obtain and maintain, at its sole expense during the term of this Contract, a fidelity bond at a minimum of $500,000, or the minimum amount required by the applicable program, which shall cover all officers, employees, and agents of the Successful Offeror and which shall protect the Successful Offeror against loss by reason of, including but not limited to, fraud, dishonesty, forgery, theft, larceny, embezzlement, wrongful abstraction or misappropriation or any other dishonest criminal or fraudulent act, wherever committed and whether committed directly or with others. The Successful Offeror shall furnish, at no cost or expense to the HPHA, a certificate of such coverage, within thirty days from the award of the Contract.

iii. Errors and Omissions

The Successful Offeror shall obtain and maintain errors and omissions professional liability coverage at its own expense at a minimum of $1,000,000 per occurrence and $2,000,000 annual aggregate.

iv. Liability Insurance

The Successful Offeror shall maintain the following minimum insurance limits and coverage:

Coverages	Limits
Commercial General Liability	$2,000,000 single limits per occurrence for bodily injury and personal property damage
Personal Injury Liability	$1,000,000 single limits per occurrence. $2,000,000 for general aggregate
Automobile Insurance	Bodily injury liability limits of $1,000,000 each person and $1,000,000 per accident and property damage liability limits of $1,000,000 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

Successful Offeror and to all employees of sub-contractors in case any sub-contractor fails to provide adequate similar protection for all its employees

A certificate of insurance evidencing such insurance is required prior to commencement of services. The insurance policy required by this Contract shall contain the following clauses:

(a) "The State of Hawaii, the HPHA, its elected and appointed officials, officers, and employees are added as additional insured with respect to operations performed for the State of Hawaii and HPHA."

(b) "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the Contract, including all Supplemental Contracts.

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

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

Failure of the Successful Offeror to provide and keep in force such insurance shall be regarded as material default under this Contract. The HPHA shall be entitled to exercise any or all of the remedies provided in this Contract for default of the Successful Offeror.

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

v. Other Additional Insurance

The Successful Offeror may, at its own expense, place additional insurance coverage for further protection subject to the HPHA's approval. Request for approval will include a description of the additional insurance coverage, premium and justification.

8. **Real Estate Broker's License**

Pursuant to Chapter 467, HRS, Real Estate Brokers and Salesperson, the interested offer must possess a valid real estate broker's license and employ a licensed principal broker. Interested offerors must submit evidence of said license.

9. **Section 3 of the U.S. Housing Act of 1968**

The work performed under this Contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended 12 United States Code 1701u. The purpose of section 3 is to ensure that employment and other opportunities generated by HUD assistance covered by section 3, shall to the greatest extent feasible be directed to low- and very low-income persons, particularly those who are recipients of HUD housing assistance.

The Successful Offeror must certify that it is under no contractual or other impediment that would prevent it from complying with Volume 24 Code of Federal Regulations (CFR) Part 135 regulations. The Successful Offeror must also certify that any vacant position that is filled after the Successful Offeror is selected but before the Contract is executed was not filled to circumvent the Successful Offeror's obligations under Volume 24 CFR Part 135.

B. Type of Contract

1. The Successful Offeror shall be required to execute a Contract for Goods and Services Based on Competitive Sealed Proposals. See Attachments 12 – 17.

The Contract shall be on a reimbursement basis. All costs incurred must be supported by verifiable evidence that payment was made such as payroll records, invoices, receipts. The management fee shall be paid on a per occupied unit basis. No profit shall be allowed on project reimbursables, including, but not limited to, postage, letters, supplies, and facsimile and electronic mail transmissions.

Subsequent to the award and within ten (10) days after the prescribed forms are presented for signature, the Successful Offeror shall execute and deliver to the HPHA a Contract in such number of copies as required by the HPHA.

The Successful Offeror will be required to enter into a formal written contract with the HPHA in accordance with the laws, rules and regulations of the State of Hawaii. The stated requirements appearing elsewhere in this RFP shall become part of the terms and conditions of the Contract as though incorporated into the Contract at length.

By submission of a proposal, interested offerors warrant and represent that they have read and are familiar with the contractual and service requirements set forth in the RFP and its attachments, the provisions of which are expressly incorporated into this RFP by reference as though fully set forth at length herein.

All proposals shall become the property of the HPHA. The Successful Offeror's proposal will be incorporated in the resulting Contract by reference.

2. **Subcontracting**

No work or services shall be subcontracted or assigned without the prior written approval of the HPHA. No subcontract shall under any circumstances relieve the Successful Offeror of his/her obligations and liability under contract with the HPHA. All persons engaged in performing the work covered by the Contract shall be considered employees of the Successful Offeror.

3. **Contract Modification**

The Contract may be modified only by a written document signed by the HPHA and personnel authorized to sign contracts on behalf of the Successful Offeror as designated in the corporate resolution.

4 **Additional Services and Fees**

For work not described in the Contract, the Successful Offeror and the HPHA shall negotiate for additional needed services and fees which may arise during the course of the Contract. Any agreement shall be in writing, executed by all parties, and shall be attached to the Contract as an amendment to expire at the same time as the original Contract or subsequent period.

5. **Laws, Rules, Ordinances and Regulations**

Reference to Federal, State, City and County laws, ordinances, rules and regulations and standard specifications shall include any amendments thereto effective as of the date of the RFP.

6. **Bonds**

No performance or payment bond is required.

C. Single or multiple contracts to be awarded

☒ Single ☐ Multiple ☐ Single & Multiple

D. Single or multi-term contracts to be awarded

☒Single term (≤ 2 yrs) ☐ Multi-term (> 2 yrs.)

Initial term of contract:	Twelve months Dec 1, 2011, 12:01 p.m. – Dec 1, 2012, 12:00 p.m.
Length of each extension:	Up to twelve months; may be less than 12 months when it is in the best interests of the State
Maximum length of contract:	60 months

The initial period shall commence on the Contract start date. The following conditions must be met for an extension:

1. The Contractor experienced cost savings and has unexpended funds available that can be used to provide additional goods and services; or
2. The HPHA determines there is an ongoing need for the services and has funds to extend services not to exceed (12) twelve months. Contract extensions shall be awarded as agreed upon in the Primary Contract. Exceptions shall be granted upon satisfactory justification such as increase in cost of services or cost of living increase; and
3. A Supplemental Contract must be executed prior to expiration of the Primary Contract; and
4. The HPHA may be required to obtain HUD approval in writing of the extension prior to execution of a Supplemental Contract; and
5. The Contractor must obtain the HPHA approval in writing and a notice to proceed with the extension.

The option to extend the Contract will be at the sole discretion of the HPHA. The Contract shall be extended at the same rates as proposed in the original proposal unless price adjustments are provided herein. Submission of a proposal constitutes acknowledgement of the interested offeror that the interested offeror is able and willing to contract for services up to the maximum allowable length of the Contract. If the Successful Offeror is unwilling or unable to fulfill the maximum allowable Contract, the HPHA reserves the right to assign the costs of reprocurement to any payments owed under the Contract. These costs may include but are not limited to reproduction costs, staff time, and postage.

The Successful Offeror shall provide the requested insurance information and a

completed wage certificate. The Successful Offeror shall pay the State of Hawaii general excise tax and all other applicable taxes.

E. Contract price adjustments (other than wage rate increases)

Each proposal offered herein shall be firm for the period beginning December 1, 2011, 12:01 p.m. HST through December 31, 2012, 12:00 p.m. HST.

Contract price adjustments shall be limited to liability insurance. The following conditions must be met for the HPHA to consider a price adjustment:

1. The Contractor provides adequate documentation of price increase, such as insurance policy statement; and
2. The Contractor provides explanation for allocating cost by complex; and
3. The increase shall not exceed five percent (5%) from the original price for each budget line item.
4. The request for increase must be reasonable and there must be a sufficient amount of funds available to support the increase.

III. CONTRACT MONITORING & REMEDIES

A. Monitoring

1. The satisfactory provision of goods and services shall be monitored by the Contract Administrator. Performance will be monitored on an ongoing basis by the HPHA through desk monitoring, site inspection and/or other methods by the Contract Administrator and his/her designated representative(s).

2. Should the Successful Offeror fail to comply with the requirements of the Contract, the HPHA may request a written corrective action plan, a timeline for implementation, and the responsible parties. The HPHA will monitor the Successful Offeror for implementation of the corrective action plan. The HPHA reserves the right to request regular or additional reports on progress towards compliance with the Contract and the corrective action plan.

3. Should the Successful Offeror continue to 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 Successful Offeror or to directly assess the Successful Offeror.

4. In the event the Successful Offeror fails, refuses, or neglects to perform the services in accordance with the requirements of this RFP, and the 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 Successful Offeror. In case money due to the Successful

Offeror is insufficient for this purpose, the Successful Offeror 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.

5. In the event the Successful Offeror is not performing the required services as contracted, the HPHA reserves the right to extend the Contract for intervals of less than 12 months. During this time, the HPHA will monitor the Successful Offeror's performance and/or improvement and the implementation of its corrective action plan to determine whether the HPHA will continue to Contract with the Successful Offeror.

B. Damages

1. The HPHA may also withhold the payment of management fees, without being required to pay interest for late payment, if the Successful Offeror fails to submit and implement a corrective action plan in response to findings by the HPHA or if the Successful Offeror fails to demonstrate improvement in performance after implementing its corrective action plan.

2. The Successful Offeror shall repair all damages caused by the Successful Offeror's equipment or employees to existing utilities and structures, such as water lines, electric conduits, sewer lines, and buildings. If such repairs are not completed within a reasonable time, the HPHA reserves the right to purchase services for the necessary repairs from the open market and to deduct all repairs costs from moneys due or may thereafter become due to the Successful Offeror. In the event money due to the Successful Offeror is insufficient for this purpose, the Successful Offeror shall pay the difference upon demand by the HPHA.

C. Termination

The HPHA reserves the right to terminate any Contract without penalty for cause or convenience as provided in the General Conditions.

IV. SCOPE OF WORK

A. Management Requirements

The HPHA's overall objectives in transferring the management responsibilities for AMP 50 to a private management firm include, but are not limited to the following:

1. Effectively maintain the overall physical appearance and condition of the AMP 50 complex, as well as the maintenance and upkeep of individual units.

2. Provide a secure living environment, implementing rules, local ordinances and the HPHA policies to reduce or eliminate the number of incidents of crime, vandalism, rule violation and nuisance behavior.

3. Maintain good communication between tenants and management personnel.

4. Encourage tenant participation and involvement in AMP 50 activities.

5. Support tenant pride through improved maintenance by management agent, and swift response to tenant maintenance and emergency maintenance calls.

6. Limit rent delinquencies to three percent (3%) or below for each complex.

7. Achieve a good community image and encourage community involvement in support of AMP 50.

The Successful Offeror shall abide by the requirements as specified herein, comply with all instructions relating to the management, rental and maintenance of AMP 50 that may be issued from time to time by the HPHA and adhere to all operating policies that have been or may be adopted and promulgated by the HPHA.

With respect to new instructions and policies, the Successful Offeror will generally have the opportunity to submit recommendations to the HPHA prior to their issuance or adoption or to recommend subsequent changes as appropriate.

B. Public Housing Assessment System

The Public Housing Assessment System (PHAS) is a reporting system designed by HUD to institute a system of accountability and used to monitor and evaluate operations of Housing Authorities nationwide. Whereas the current PHAS reporting system is an entity-wide assessment system, HUD has proposed a revision to the PHAS to a property-specific focus. The PHAS will continue to define acceptable public housing management standards for key areas of public housing management. The Successful Offeror shall achieve an acceptable rating under the PHAS by maintaining AMP 50 in the following areas:

1. General Appearance and Security;
2. Follow-up and Monitoring of Project Inspections;
3. Maintenance and Modernization;
4. Financial Management;
5. Leasing and Occupancy;
6. Tenant/Management Relations; and
7. General Management Practices.

The PHAS standards for which the Successful Offeror shall be accountable and will report to the HPHA on a monthly basis, among other things, will measure the

following:

1. Vacancy Rate;
2. Unit Turnaround Time;
3. Work Order Performance;
4. Unit, Systems and Common Area Inspections and Conditions; and
5. Tenant Accounts Receivable.

It is strongly recommended that interested offerors refer to the HUD website to become familiar with the proposed PHAS requirements detailed at the Federal Register 24 CFR Part 902.

C. Administrative Requirements & Minimum Qualifications

1. Management Representative

a. The Successful Offeror shall designate a contact person who will be responsible for oversight of AMP 50 and ensure Contract performance. The contact person shall be able to respond to the HPHA's inquiries, complaints/ problems within one (1) working day.

b. The HPHA's Contract Administrator will send a monitoring report to the Successful Offeror's management representative. The monitoring report will document discrepancies or Contract violation(s) which need correction. These discrepancies or Contract violation(s) must be corrected by the time periods provided.

c. The Successful Offeror shall be solely responsible for adequate communication to its staff regarding Contract terms and conditions.

d. The Successful Offeror shall ensure adequate and appropriate representation at regular meetings with the HPHA. At this time, the HPHA anticipates monthly meetings with the Successful Offeror's contact person who will be responsible for oversight of Contract performance. Additional meetings may be required by the HPHA.

2. Personnel

a. All personnel shall be considered employees of the Successful Offeror.

b. The Successful Offeror shall ensure that all personnel meet the minimum qualifications, including State licensing laws and experience requirements. The current wage rates and position class specifications for management/maintenance personnel are included as Attachment 23 and available at http://www.hawaii.gov/hrd/main/eccd.

c. All staff training, such as training required to ensure that the minimum services are provided in compliance with State/Federal laws, rules, and regulations shall be the responsibility of the Successful Offeror. However, should any specific or extraordinary training be required of the Successful Offeror, the HPHA may require attendance at no cost to the Successful Offeror. Interested offerors are strongly encouraged to budget for training related costs.

d. All staff travel to attend meetings where the HPHA requires attendance shall be at no cost to the Successful Offeror. The HPHA shall be reimburse the Successful Offeror for airfare, ground transportation and per diem at the allowable State/Federal rates. Interested offerors are strongly encouraged to budget for training related costs.

e. The Successful Offeror shall be solely responsible for the behavior and conduct of their employees or agents on the HPHA property. Supervision and performance evaluation shall be the responsibility of the Successful Offeror. The HPHA shall be provided with access to employee performance evaluations, upon request, for the purposes of monitoring.

f. The Successful Offeror with the concurrence of the HPHA shall hire a responsible employee as the AMP 50 Area Manager who will be available during normal State of Hawaii operating hours, Monday thru Friday 7:45 a.m. to 4:30 p.m., **except for holidays observed by the Hawaii State government** as a point of contact for residents and the HPHA. See Attachment 28. The AMP 50 Area Manager shall, at a minimum, respond to tenant concerns, supervise staff, enforce house rules, inspect the housing units and encourage tenant organization and participation.

g. The Successful Offeror shall ensure the confidentiality of all information, documents, or materials viewed, discussed or provided to personnel concerning the housing tenant(s) residents of AMP 50. The Successful Offeror's personnel shall not provide confidential information to the tenants and the general public without express written consent of the HPHA by either policy, rules or letter.

h. During the performance of this Contract, the Successful Offeror agrees not to discriminate against any employee or applicant for employment. The Successful Offeror will take affirmative action to ensure equal treatment of its employees. Such action shall include but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Successful Offeror shall insert provisions similar to the foregoing in all subcontracts.

3. Administrative Policies

The Successful Offeror shall maintain its own written policies that, at a minimum, address the following:

a. Drug Free Workplace Policy;
b. Sexual Harassment Awareness in the Workplace Policy;
c. Non-Violence in the Workplace Policy;
d. Standards of Conduct;
e. Fair Housing Policy;
f. Smoking Policy;
g. Safety Plan or Policies;
h. Americans with Disabilities Act; and
i. Procurement Policy and Procedures.

The Successful Offeror shall maintain evidence that all staff are informed of its requirements and their agreement to comply with said policies. The Successful Offeror shall be solely responsible for the conduct of their employees and for their compliance with its administrative policies.

4. Reporting Requirements

The Successful Offeror shall be responsible for the timely submission of reports on performance or progress including, but not limited to:

a. Weekly Vacant Unit Report;
b. Monthly Supervisor's File Review Log;
c. Monthly Income Discrepancy Report;
d. Monthly Pre-Rent Run Report;
e. Quarterly Enterprise Identification Verification Users Authorization;
f. Semi-Annual Crime Tracking Reports;
g. Monthly Community Service Status Report;
h. Monthly Annual Unit Inspection Work Order Log;
i. Monthly General Ledger Report; and
j. Delinquency Account Report.

The HPHA may request additional reports as follows:

a. Progress reports on the implementation of corrective action plans;
b. New programs mandated by HUD or the State; and/or
c. Special requests in response to inquiries from other government agencies, including the State Legislature.

5. Accounting and Fiscal Services

The Successful Offeror will perform the following fiscal services for AMP 50:

a. Develop an operating budget for each fiscal year (July through June) of this Contract subject to the HPHA approval no later than March of the preceding fiscal year or as determined by the HPHA, using a format as specified by the HPHA. The Successful Offeror's operations shall conform to the approved operating budget during the term of the Contract.

b. Record all tenant accounting transactions and input data pertaining to tenant rents, excess charges, and maintenance charges to the HPHA's computer system. All tenants will be billed once per month by the HPHA.

c. Maintain tenant ledgers with records of all accounting transactions, including security deposits and a running balance on each account.

d. Make appropriate charges for damage to any unit by inspecting such unit with the tenant prior to vacating and submit any such charges to be deducted from the security deposit or to be billed to the tenant or request to the HPHA for security deposit refund so refund can be made within fourteen (14) days of the rental agreement termination date.

e. Make appropriate purchases for goods and services for the express and specific use for AMP 50, within the approved AMP 50 budget, following State and Federal procurement rules and regulations. The Successful Offeror shall be held responsible for all purchases of goods and services above and beyond the approved AMP 50 budget without prior approval of the HPHA.

f. Coordinate the subcontracting of the HPHA approved services to AMP 50 following the HPHA and State procurement policies and any applicable State or Federal procurement rules and regulations.

g. Process all purchase orders for approval prior to ordering goods/services, except in the case of an emergency where verbal approval may be obtained. Failure to obtain prior approval on regular/ routine purchases shall be considered a serious violation of procurement policy. In the cases where an after-the-fact purchase is not approved, the HPHA reserves the right to deduct an amount equal to the amount of the purchase from the Successful Offeror's management fees.

The Successful Offeror shall ensure that payment by the HPHA may be made within 30 days of receipt of invoice. In the case where an invoice is made after 30 days of receipt of invoice, the HPHA reserves the right to deduct an amount equal to the late vendor interest payment charged by the State from the Successful Offeror's management fees.

h. Make all payments of salaries, wages, benefit contribution, and payroll taxes to or on behalf of the AMP 50 staff, and maintain all payroll records. The Successful Offeror shall submit a written request for reimbursement of such items to the HPHA within thirty (30) days after payroll period.

i. Submit a monthly invoice for management fees to the HPHA within thirty (30) days of delivery of service.

j. Respond to findings of any independent, HUD or the HPHA audit of AMP 50 by submitting a corrective action plan and implementing the plan, if applicable.

k. Provide additional data requested by the HPHA utilizing current staff and personnel power. Special studies or surveys requiring pertinent expertise requested by the HPHA shall not be deemed additional data.

l. Make all financial records concerning AMP 50 available to the HPHA, during normal business hours, as requested.

6. Office Space, Equipment, and Supplies

All items shall be used and accounted for as follows:

a. For the purpose of managing AMP 50, the Successful Offeror shall be permitted to use any designated office space and maintenance, office, or other equipment assigned for express and specific use at the management unit. All personal property belonging to the HPHA and located at AMP 50 shall be under the custody and control of the Successful Offeror at all times. The Successful Offeror shall accept full responsibility for all equipment, normal wear and tear excepted. The Successful Offeror shall be fully responsible for stolen equipment or items when it is due to the Successful Offeror's negligence, such as the failure to properly store and secure the HPHA's property.

An opening and closing inventory of equipment and supplies shall be conducted by the Contract Administrator with the Successful Offeror upon the start date of the Contract.

b. The Successful Offeror shall replace any consumable supplies in the current inventory of AMP 50. The Successful Offeror may forego the replenishment of supplies that are inventoried in excess of the reasonable needs of AMP 50's operating budget as developed by the Successful Offeror and as approved by the HPHA.

c. The Successful Offeror may purchase supplies, materials, and equipment for the express and specific use at AMP 50. Equipment purchases require

prior approval by the State, shall be considered property of the State and shall follow applicable State and HPHA fixed asset rules and regulations.

d. The Successful Offeror may borrow from the HPHA needed equipment not located at AMP 50, such as gang mowers, used in the performance of maintenance services according to a schedule submitted to the HPHA by the Successful Offeror after such schedule is approved by the HPHA, for express and specific use at AMP 50.

e. The Successful Offeror shall conduct an annual physical inventory of all equipment, materials and supplies located at AMP 50; or upon twenty-four (24) hours notice, the HPHA, may conduct an inventory audit at AMP 50.

f. The Successful Offeror agrees to comply with all State and Federal laws, regulations, rules, and policies regarding the procurement of goods, services and construction.

7. Payment

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

b. The HPHA shall reimburse the Successful Offeror for all salaries, wages, and other related taxes for AMP 50 site personnel designated on the Successful Offeror's organization chart and within price proposal levels.

c. The Successful Offeror shall invoice the HPHA on its management fee based on the number of occupied units for the month. The Successful Offeor shall submit a documentation indicating the number of units occupied for the requested period.

d. The Successful Offeror shall submit monthly invoices, one original for services rendered to:

Hawaii Public Housing Authority
Property Management and Maintenance Services Branch
P.O. Box 17907
Honolulu, Hawaii 96817

The date of the invoice shall be the date of receipt by the HPHA.

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 Contract Administrator that the Successful Offeror has submitted the receipts for the goods and services specified.

e. For final payment, the Successful Offeror must submit a valid original tax clearance certificate "Certification of Compliance for Final Payment" (SPO Form-22). The Successful Offeror is required to submit a tax clearance certificate for final payment on the Contract. A tax clearance certificate, not over two (2) months old, with an original green certified copy stamp, must accompany the invoice for final payment on the Contract. A valid HCE Certificate of Vendor Compliance, in lieu of the tax clearance, is acceptable.

D. Property Management Services

1. Rules and Regulations

The Successful Offeror shall perform the basic property management functions such as enforcing all covenants and conditions of the Rental Agreement and the following minimum services:

a. Assist in the development and/or revising of Project Rules specific to each Project's needs utilizing the HPHA's Basic Rental Agreement, upon request by the HPHA. See Attachment 10. The Successful Offeror shall be responsible to ensure appropriate communication with tenants and the tenant association on proposed changes to the Project Rules. See Attachment 11.

b. Post notices of all rules and regulations pertaining to AMP 50 and enforce them. The Successful Offeror shall ensure that rules and regulations are provided to tenants with language barriers upon request.

c. Assist the HPHA to conduct public meetings or hearings approximately twice a year, including but not limited to, issuing/ coordinating notices, securing meeting facilities, serving as hearing official, recording meeting minutes, providing recommendations, and other related duties.

d. Follow-up on delinquent rent and other tenant charges in compliance with the HPHA rules and procedures. Delinquencies shall be maintained and/or improved to a level of three percent (3%) for each elderly complex.

e. Manage, maintain, administer and coordinate, where applicable, the use of community rooms, spaces and all common yard areas including community playground. Subject to the HPHA approval, the Successful Offeror will be permitted to use the complex's community activity facilities and other non-

dwelling space for their intended purposes in accordance with State policies and regulation. The use of such space shall only be solely for the term of the Contract. No permit, lease or written agreement covering use of such space shall be for a period beyond the term of the Contract.

The Successful Offeror shall be responsible for the loss or theft of any property within the non-dwelling space in the complex area. The Successful Offeror shall review periodically and keep current a listing of agencies and organizations using the HPHA space. The listing should include space assigned, name and purpose of organization and program(s) carried out at the complex. The listing shall be made available to the HPHA upon request.

f. Obtain prior written approval from the HPHA and HUD to use dwelling units for non-dwelling purposes. The following are allowable uses of dwelling units for non-dwelling purposes:

- Use by a duly elected tenant association/council for office space and/or meeting facility; or
- Occupancy by a police officer to increase on-site security; or
- Use to promote economic self-sufficiency and anti-drug activities.

g. Implement and comply with the HPHA's Pet Ownership Policy which allows for pets in public housing, subject to certain terms and conditions. See Attachment 8.

h. Implement HUD's Community Service Requirement in compliance with HUD and the HPHA rules, including tracking and reporting of tenant compliance. See Attachment 9. The Successful Offeror shall also, at a minimum:
   i. Inform all adult household members of their obligations under the community service requirement and verifying their required participation or exemption;
   ii. Provide referrals to community organizations who afford tenants with opportunities to satisfy community service requirements;
   iii. Monitor tenant compliance monthly and provide required reports; and
   iv. Take appropriate action for non-compliance.

i. Implement any program changes as established in the Public Housing Agency Five-Year and Annual (PHA) Plan, the Admissions and Continued Occupancy Policy (ACOP), the Hawaii Administrative Rules (HAR), and/or HUD mandates. Those changes, which are not known at this time, shall be incorporated by reference as though set forth at length herein.

In the event of a conflict between the PHA Plan, ACOP, HAR and HUD mandates, the Successful Offeror shall be responsible to implement any changes as directed by the HPHA.

2. Application, Selection and Placement

The HPHA will retain responsibility for assigning initial housing occupants to all housing units, including:

- Maintaining a waiting list; and
- Establishing a process with the Area Manager for effective communication to minimize unit vacancy.

The Successful Offeror shall be responsible for the following minimum tasks:

a. Determine the eligibility of household members, in accordance with all tenant selection policies instituted by the HPHA and in compliance with all applicable Federal Rules and Regulations. The Successful Offeror shall certify compliance with Title VI of the Civil Rights Act of 1964 and Section 504 of the Rehabilitation Act of 1973 as the HPHA's agent of Federal Low Income Public Housing Asset Management Project Units.

b. Notify applicants when units are to become available.

c. Conduct a walk-through unit inspection with new tenants within 48 hours of vacancy. The Successful Offeror shall also orient tenants on use, care and maintenance of dwelling unit, appliances, and other assigned areas.

d. Orient new tenants to rules and regulations, financial responsibilities, facilities, community amenities and resident services available.

e. Maintain a tenant file with pertinent information on eligibility, family composition, including a list of family members residing in each unit, and other required information, as instructed by the HPHA.

f. Evaluate tenant requests for transfer to other Asset Management Projects, and where necessary prepare request to the HPHA.

g. Turn over keys when a tenant occupies and vacates a unit and shall also maintain the key registry. The area manager must be bonded for the handling of resident's keys and for entering units when residents are not present.

3. Vacates and Move Outs

The Successful Offeror shall be responsible for ensuring the smooth transition for tenants moving out of public housing and provide the following services, at a minimum:

a. Conduct a vacate inspection within 24 hours with the tenant present to inspect the unit and collect the unit keys from the tenant.

b. Conduct a final unit assessment and acknowledge any deficiencies that may require correction, follow proper work order procedures, and address deficiencies within three (3) working days. Referrals of uninhabitable units for repair/renovation are to be handled by the HPHA's Construction Management Branch (CMB). Referrals shall be completed within two (2) working days of vacancy. All referrals to the CMB shall be submitted through the Contract Administrator.

c. Effectively communicate with the HPHA's Application Unit to minimize unit vacancy. Applicants should be processed for placement timely in order to achieve vacancies at a level of no higher than three percent (3%) for each complex. Individual units are to be re-rented within twenty (20) days from the date of the previous tenant vacating the unit.

d. Ensure the proper documentation is completed and filed, and a vacant unit is filled within the required time frames.

e. Ensure that abandoned units are properly assessed and appropriate notice served. The date reflected on the notice will be considered the first date of vacancy.

4. Income Re-examination

The Successful Offeror shall be responsible for conducting an income examination as required, informing tenants of their obligations and responsibilities, and providing the following services, at a minimum:

a. Conduct re-examinations of tenant eligibility and rent determination within twelve (12) months of the previous certification in accordance with the HPHA's policies and procedures on prescribed forms.

b. A supervisor shall review ten percent (10%) of all re-examinations conducted and submit a monthly log of all files reviewed to the HPHA. The Successful Offeror shall further correct or adjust any part of the re-examination as instructed by the HPHA.

c. Upon completion of the tenant re-examination, the Successful Offeror shall adjust tenant rent in accordance with the Federal Low Income Public Housing program's policies and procedures.

d. Evaluate eligibility status and update income and rent on each tenant's record on re-examination dates as established. The Successful Offeror shall also advise the tenant of any changes in eligibility status resulting from re-examination and give notification of changes in rent or serve notification to vacate due to an ineligibility finding.

e. Submit and record appropriate adjustments in rent charges when tenant reports changes of family income and/or composition.

f. Apply the HUD's mandatory earned income disregard, CFR Part 960.255, as appropriate.

5. Tenant Defaults, Rental Agreement Terminations and Evictions

The Successful Offeror shall be responsible to ensure that it responds to tenant defaults at the federally-funded projects in a timely manner and in compliance with the HPHA's rules and procedures for Rental Agreement terminations and evictions. The Successful Offeror shall also provide the following services, at a minimum:

a. Upon finding a tenant to be in default or in violation of any covenant, condition, provision, rule or regulation of the respective Rental Agreement or the subject complex, the Successful Offeror shall follow the HPHA's rent collection policy and eviction procedures. The eviction procedures include but are not limited to the securing of services to serve written notices to tenants in default.

The HPHA's policies on rent collection and evictions can be downloaded from the HPHA website and shall be incorporated by reference as though set forth at length herein. See Attachments 5 – 7.

b. File with the HPHA's Hearings Board, or other designated hearing body a complaint in accordance with State procedural rules promulgated by the HPHA, as may be amended from time to time.

c. Represent the HPHA at scheduled complaint hearings. The HPHA shall schedule the hearing at the first available scheduled meeting of the Hearings Board, provided the HPHA has served the complaint to the tenant within five (5) days notice prior to the hearing date.

d. Comply with all other requirements for Rental Agreement terminations and evictions that are or may hereafter be required by law, the HPHA rules, and HUD regulations.

e. Cooperate with local law enforcement to address crime and safety issues in and around the AMP 50 complex.

6. Maintenance

a. The Successful Offeror shall ensure that maintenance staff is qualified and capable of providing minor repair and preventive maintenance for AMP 50. The current wage rates and position class specifications for maintenance workers are included as Attachment 23 and are available at http://www.hawaii.gov/hrd/main/eccd. It is the sole responsibility of the Successful Offeror to ensure that maintenance staff is qualified and properly trained to provide maintenance and repair services.

b. The Successful Offeror shall ensure that maintenance staff is capable and properly trained in the HPHA's work order system, including procedures for opening and closing of work orders, prioritization and timely response.

c. The Successful Offeror shall maintain and repair the projects in a condition acceptable to the HPHA and in accordance with local and State codes, and in accordance with the budget and Maintenance Plan including but not limited to providing routine and emergency/urgent repairs, renovating vacant units and providing preventive maintenance services for the units and its equipment, as well as providing grounds maintenance for the common areas and common facilities. Maintenance activities should follow the HPHA's maintenance policies and procedures.

d. If the Successful Offeror fails to maintain and repair units on a timely basis, the HPHA reserves the right to inspect and closely monitor the Successful Offeror's activities and efforts to maintain and repair units. The Contract may be required to submit additional reports until the HPHA is satisfied that the Successful Offeror is fulfilling its obligation to maintain units.

e. The Successful Offeror shall respond to requests for services as follows:

   i. Routine maintenance services within two (2) working days from the date of such request; and/or

   ii. Emergency/urgent maintenance services shall occur no later than four (4) hours from the time of such request (seven (7) days a week, twenty-four hours each day) and abated or resolved within twenty-four hours.

f. The Successful Offeror shall maintain the grounds and all common areas of AMP 50 including but not limited to entries, thoroughfares, and lobbies in a clean and presentable condition at all times. The Successful Offeror shall make certain all parking area surfaces are maintained in good condition, free from need of repair and free from derelict and/or abandoned vehicles.

g. The Successful Offeror shall rehabilitate and clean vacated units to a marketable condition so that the unit is **ready for occupancy and leased** within twenty (20) days from the date the tenant vacated. Vacant units referred and approved by the HPHA that require substantial renovation/construction shall be exempt from the twenty (20) day turnaround requirement.

h. Units that are considered uninhabitable and require substantial renovation/construction, shall be referred to the HPHA within two (2) working days of the final unit assessment/inspection. All referrals to the HPHA shall be submitted through the designated Contract Administrator.

i. The Successful Offeror shall coordinate with the HPHA on all garbage and refuse disposal and collection and maintain all refuse areas, enclosures and receptacles in a clean condition and in accordance with local, State, and Federal fire, safety and health codes.

j. The Successful Offeror shall conduct an annual inspection of every unit, major and regulated systems, and all accessible/inspectable exterior and common areas of each complex to ascertain the physical condition in accordance with the Uniform Physical Condition Standards (UPCS) and HUD regulations CFR Part 902.20.

k. The Successful Offeror shall charge tenants for maintenance work in accordance with the Rental Agreement when work is required to repair damage to such unit other than ordinary wear and tear. The charges shall be consistent with HPHA policies.

l. The Successful Offeror shall purchase services, supplies, materials and equipment as authorized and in accordance with the approved budget. All equipment purchased shall be considered property of the HPHA and must be purchased and recorded incompliance with State rules.

m. The Successful Offeror shall obtain prior written approval from the HPHA for maintenance expenditures over and above those authorized in the budget and maintenance plan.

n. The Successful Offeror shall be responsible to store necessary supplies at AMP 50, maintaining a perpetual inventory, available for inspection by the

HPHA upon request and store and maintain equipment at AMP 50, readily available for the HPHA inspection upon request.

o. The Successful Offeror shall conduct extraordinary maintenance as scheduled, or as approved by the HPHA.

p. The Successful Offeror shall implement a preventive maintenance program, performing preventive maintenance services in each unit at least once a year and perform maintenance check(s) and correction(s) in any unit entered during a tenant requested maintenance repair. A schedule of the preventive maintenance program is to be submitted to the HPHA.

q. The Successful Offeror shall make all additions, betterments, and replacements as requested and approved by the HPHA on a cost-reimbursable basis; whenever possible. The HPHA shall make reasonable efforts to provide plans for substantial additions, betterments, and/or replacements to the Successful Offeror .

r. The Successful Offeror shall prepare and submit monthly reports on selected maintenance operations.

s. The Successful Offeror shall procure pest control services as needed.

7. Maintenance Manager:

The maintenance manager will be responsible for the following:

a. Day-to-day on-site general maintenance of Palolo Valley Homes;

b. Perform variety of semi-scheduled maintenance repair work;

c. Upkeep of buildings, dwelling units, and grounds as well as assists tenants in emergency situations;

d. Provide AMP 50 Area Manager with reports, oral or written concerning violations of the Rental Agreement and/or Project Rules as well as maintenance issues; and

e. Assists police, fire and emergency medical service personnel as needed.

f. The HPHA shall provide a dwelling unit at Palolo Valley Homes at no cost to the Successful Offeror.

8. Tenant Relations

The Successful Offeror shall promote and maintain good relations with the tenants and shall perform the following services, at a minimum:

a. Respond to all tenant requests involving concerns about the conditions or quality of life at AMP 50 in compliance with the HPHA complaint procedures such as grievance hearings and resolve all significant or recurring problems.

b. Work closely with and guide the tenant association toward tenant community involvement and participation in complex activities.

c. Institute and maintain informative tenant communications to advise tenants of any changes in policies, rules, regulations, or pertinent and necessary instructional bulletins such as storm, fire, or hazard regarding the complexes.

d. Coordinate the use of community rooms with the tenant association.

9. Supportive Services

The Successful Offeror shall coordinate supportive service functions. These services, as described below include, but are not limited to, the following:

a. Advise residents of community services and programs available within the community to meet their needs.

b. Provide an orientation for regarding available community services and programs to ease their transition into government assisted housing.

c. Promote and encourage improvement of supportive services for tenants by working with community agencies, organizations and tenant groups.

d. Provide guidance and/or referral services to appropriate agencies to assist those tenants who are experiencing problems in money management, mental health, marital discord, child abuse, poor housekeeping, and other social problems.

e. Provide an anonymous tenant suggestion system to be reviewed by the tenant association.

f. Provide a cohesive community within the complex population.

g. Provide access to community facilities to community organizations and non-profit agencies that provide services that are consistent with the HPHA's mission and goals.

10. Coordination of Renovation, Construction, and Relocation

a. Planned Renovation / Construction / Major Repair Schedule:

- Palolo Valley Homes: Physical Improvements

Note: The planned renovation/construction/major repair schedule is subject to availability of funds and subject to change.

b. Relocation

In the event that a complex undergoes major renovation/modernization that involves the temporary relocation of tenants, the Successful Offeror may be responsible, at a minimum, to assist with the following:

i. Locate suitable temporary housing such at other public housing sites or private owned housing available on the open residential rental market with maximum rents not to exceed current Section 8 Fair Market Rent (FMR).

ii. Execute a Certificate of Right to Return, certifying tenants' right to return upon completion of the modernization construction.

iii. Process reimbursable costs to the tenant for all reasonable out-of-pocket expenses incurred, including the cost of moving to and from the temporary housing and incidental expenses to the HPHA.

iv. Upon completion of modernization construction, conduct walk-through unit inspection and turn over keys with tenant prior to move in.

In the event that the complex is to undergo renovation where the entire site is vacated, the Successful Offeror's management fee will be forfeited during that time period. Upon completion of modernization construction, the HPHA will notify the Successful Offeror of their ability to again earn the management fee on those renovated units.

E. Personnel

a. All AMP 50 staff shall be employees of the Successful Offeror.

b. All staff training shall be the responsibility of the Successful Offeror. However, should any specific or extraordinary training be required of the Successful Offeror, the HPHA may request attendance at no cost to the Successful Offeror.

c. Supervision, performance evaluation, and termination of staff will be the responsibility of the Successful Offeror. Performance evaluation of the Successful Offeror's staff shall be made available to the HPHA upon request for monitoring purposes.

(END OF SECTION)

Section 3
Proposal Forms and Instructions

Section 3
Proposal Forms and Instructions

I. General Instructions for Completing Forms

When an interested offeror submits a proposal, it shall be considered a complete plan for accomplishing the tasks identified in this RFP. The interested offeror's proposal must demonstrate an understanding of and the ability to meet and perform all contractual requirements listed in this RFP.

The submission of a proposal shall constitute the interested offeror's indisputable representation of compliance with every requirement of the RFP, and that the RFP documents are sufficient in scope and detail to indicate and convey a reasonable understanding of all terms and conditions of performance of the work to interested offeror.

An interested offeror shall submit one (1) original proposal marked "ORIGINAL" and four (4) copies of the original marked "COPY." It is imperative to note that the interested offeror submit only one (1) original and the required number of copies. The outer envelope or packaging of the proposals shall be sealed and clearly marked with the RFP number and title, the interested offeror's name, address, telephone and fax numbers.

Any and all corrections to a proposal shall be initialed in ink by the person signing the proposal for the interested offeror. Any illegible or otherwise unrecognizable corrections or initials may cause rejection of the proposal.

Before submitting a proposal, each interested offeror must:

A. Thoroughly examine the solicitation documents. Solicitation documents include this RFP, any attachments, plans referred to herein, and any other relevant documentation.

B. Be familiar with local, State, and Federal laws, ordinances, rules and regulations that may in any manner affect cost, progress, or performance of the work.

Proposals shall be submitted to the HPHA in the prescribed format outlined in this RFP. A written response is required for each item, unless indicated otherwise.

No supplemental literature, brochures or other unsolicited information should be included in the proposal packet.

***TIP**: Interested offeror should submit their proposal with enough detail to ensure that the reader is able to fully understand their approach to management and maintenance. A good test is to give the proposal to someone who has not written the proposal and see if they are able to get a clear picture of how the management unit will be operated.*

II. Proposal Forms

A. The proposal forms must be completed and submitted to the HPHA by the required due date and time, and in the form prescribed by the HPHA. Email and facsimile transmissions shall not be accepted. Proposals submitted on compact disk or in electronic format shall not be accepted.

B. Interested offeror shall submit its proposal under the interested offeror's exact legal name that is registered with the Department of Commerce and Consumer Affairs and shall indicate this exact legal name. Failure to do so may delay proper execution of the contract.

C. Interested offeror's authorized signature shall be an original signature in ink. If the proposal is unsigned or the affixed signature is a facsimile or a photocopy, the proposal shall be automatically rejected. If the proposal is not signed by an authorized representative as submitted on the corporate resolution, the proposal shall be automatically rejected.

D. A proposal security deposit is not required for this RFP.

E. A Transmittal Letter shall be attached to the proposal. See Attachment 27. The Transmittal Letter shall be in the form of a standard business letter on official business letterhead and signed by an authorized representative. The Transmittal Letter must include:

1. A statement indicating that the interested offeror is a corporation or other legal entity and the taxpayer identification number of the legal entity.
2. A statement that the interested offeror is or will be registered to do business in Hawaii and will obtain a State General Excise Tax License before the start of the work.
3. A statement acknowledging and identifying that all addenda to this RFP issued by the HPHA have been received by the interested offeror. If no addenda has been received, a statement to that effect should be included.
4. A statement that the interested offeror has a valid State of Hawaii Real Estate Broker's license and employs a principal broker including the name, date and license number. **Interested offerors must submit evidence of said licenses.**

F. The numerical outline for the application, the titles/subtitles, and the interested offeror organization and RFP identification information on the top right hand corner of each page should be included.

G. Page numbering of the Proposal Application should be consecutive, beginning with page one and continuing through the complete proposal.

H. Proposals may be submitted in a three ring binder. Tabbing of sections is required.

III. The Proposal Application comprises the following sections:

- *Title Page*
- *Table of Contents*
- *Background and Summary*
- *Experience and Capability*
- *Personnel: Project Organization and Staffing*
- *Management Plan*
- *Financial*
- *Other*

A. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the proposal in such a way as to provide the HPHA with a broad understanding of the entire proposal. Include a brief description of the interested offeror's organization, the goals and objectives related to the service activity, and how the proposed service is designed to meet the need identified in the service specifications.

B. Experience and Capability

The HPHA is requiring that the Successful Offeror have a minimum of three (3) years experience in property management and two (2) years experience in managing a multi-family residential management unit of at least 50 units serving a similar low-income residential clientele. The Successful Offeror shall be experienced in the management of affordable housing projects. Knowledge and expertise of various programs, including but not limited to, the Federal Low Income Public Housing program, will be necessary to manage the complexes under AMP 50.

1. Necessary Skills and Experience

The interested offeror shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the delivery of the proposed services. The interested offeror shall provide a listing of verifiable experience with projects/contracts for the most recent five (5) years that are pertinent to the proposed services.

2. Quality Assurance and Evaluation

The interested offeror shall describe its quality assurance and evaluation plans for the proposed services, including methodology. Evaluation plans must include client surveys as appropriate.

3. Coordination of Services

The interested offeror shall demonstrate the capability to coordinate services with other agencies and resources in the community.

4. **Resolution of Property Management Issues**
Interested offerors must provide documented evidence that, during the last two (2) years immediately prior to the deadline for receipt of proposals, the interested offeror has successfully performed duties substantially similar to the requirements as stated in Section 2, Scope of Work and Specifications, of this RFP. Emphasis should be given to past performance reflecting problem resolution activities with property owners/residents. The HPHA reserves the right to verify the documented experience directly with the owner contact person as submitted in the proposal.

Only information that is submitted directly to the HPHA in the proposal package will be considered unless the HPHA seeks additional information during the evaluation process.

The HPHA reserves the right to review and consider the past performance the Successful Offeror may have had with the HPHA.

C. Personnel: Project Organization and Staffing

1. **Proposed Staffing**
The interested offeror shall describe the proposed staffing pattern, client/staff ratio. Refer to the personnel requirements in Section 2, Scope of Work and Specifications, as applicable.

2. **Staff Qualifications**
The interested offeror shall provide the minimum qualifications, including experience for staff assigned to AMP 50. Describe the knowledge and experience of your proposed area manager and management/maintenance staff, including the day-to-day management. **Attach resumes and relevant professional background/experience of each staff position.**

3. **Supervision and Training**
The interested offeror shall describe its ability to supervise, train and provide administrative direction relative to the delivery of the proposed services.

4. **Organization Chart**
The interested offeror shall reflect the position of each staff and line of responsibility/ supervision. Include position title, name and full time equivalency. Both the "Organization-wide" and "Project" organization charts shall be attached to the Proposal Application.

D. Management Work Plan

This section should summarize the interested offeror's management philosophy and overall approach to the management of AMP 50. The work plan should also address the tasks required under this RFP and must demonstrate the interested offeror's understanding of the service required.

The interested offeror must provide a detailed work plan for accomplishing the administrative management, and maintenance duties required for AMP 50. The work plan should describe how AMP 50 will be operated on a day-to-day basis including actions to be taken, responsible parties, and timelines for implementation. Failure to address all requirements of the Scope of Work may be cause for the proposal to be determined non-responsive and rejected.

The management work plan must address the following services at a minimum:

1. Administrative Requirements
   Describe in detail how vacancies in personnel will be handled to ensure delivery of services are maintained satisfactorily, staff are qualified, capable and properly training of providing the services requested.

2. Re-Examinations, Rent Collection and Tenant Account Receivables
   Describe in detail how re-examinations, rent collection, and tenant account receivables for each complex will be handled to ensure delivery of services are maintained satisfactorily. Additionally, based on the current delinquent rate, describe in detail how the three percent (3%) delinquency rate will be attainted and maintained. Include actions to be taken, responsible parties, and timelines for implementation.

3. Unit, Common Area & Grounds Maintenance
   Describe in detail how annual unit inspections, and unit, common area and grounds maintenance for each complex will be performed satisfactorily. Include actions to be taken, responsible parties, and timelines for implementation.

4. Unit Turnover
   Based on the current unit turnover rate at each complex, describe in detail how the three percent (3%) vacancy level and the twenty (20) day unit turnover will be attained and maintained. Include actions to be taken, responsible parties, and timelines for implementation, quality control.

5. Work Order System
   Describe in detail how unit repair and maintenance work orders will be accurately recorded and closed out for each complex. Include actions to be taken, responsible parties, and timelines for implementation.

6. Routine and Preventive Maintenance
Describe in detail how routine and preventive maintenance will be addressed on a timely basis for each complex. Include actions to be taken, responsible parties, and timelines for implementation.

7. Utilities
Describe in detail how electricity and water consumption for each complex shall be monitored for unusually high usage or irregular charges. Include how staff will work with the tenants to conserve water and electricity on a regular basis.

8. Residential Refuse Collection and Disposal
Describe in detail how bulky item disposal shall be addressed for each complex. Include actions to be taken, responsible parties, and timelines for implementation.

9. Pest Control
Describe in detail how insect and rodent issues shall be addressed. Include actions to be taken, responsible parties, and timelines for implementation.

10. Capital Needs Assessment and Investment Plan
Describe in detail a capital needs assessment and investment plan. Include actions to be taken, responsible parties, and timelines for implementation.

11. Environment, Safety and Health Plan
Describe in detail an environment, safety and health plan. Include actions to be taken, responsible parties, and timelines for implementation.

12. Resident Services and Associations
Describe in detail how resident services and resident associations will be addressed. Include actions to be taken, responsible parties, and timelines for implementation.

13. Safety and Security
Describe your understanding of safety and security issues at each complex. Include in detail how the safety and security issues will be addressed.

14. Procurement of Services, Equipment, and Supplies
Describe your understanding of how procurement of services, equipment and supplies will be addressed and how comply with State/Federal regulations. Include actions to be taken, responsible parties, and timelines for implementation.

15. Service Interruptions
Describe in detail how service interruptions will be addressed. Include actions to be taken, responsible parties, and timelines for implementation.

16. Regular Working Hours
Describe in detail how regular working hours will be managed.

E. Financial

1. Total Management Expense Proposal

Under the new HUD Operating Formula, each public housing asset management project is assigned a model-generated "Project Expense Level" or "PEL." The PEL represents the estimated cost to operate each project, exclusive of property taxes and utilities.

Interested offerors shall propose a total management expense proposal for AMP 50. This price will include the interested offeror's management fee, AMP 50 complex personnel salaries, including clerical, housing specialist and site management, personnel fringe benefits, interested offeror's insurance expense associated with managing AMP 50 as well as all applicable Federal, State and local taxes. See Attachment 21.

Based on Fiscal Year 2007 tenant collections, the projected Project Expense Level for AMP 50 is $347.91/unit. The projected Project Expense Level is an estimate and is not binding and only intended for general direction purposes.

The Successful Offeror's management fee shall be calculated at no greater than $30 per occupied unit a month for each complex under AMP 50. The Successful Offeror's management fee shall be calculated on the following:

a. Units occupied units for the entire reporting month;
b. Units partially occupied for the reporting month;
c. Vacant units slated by the HPHA for modernization and approved by HUD;
d. Vacant units referred by the Successful Offeror to the HPHA for repair and approved by HUD; and
e. Vacant units approved by HUD for special purposes.

The interested offeror shall include a cost allocation of the management fee for six (6) items of the Successful Offeror's management plan. The cost allocation will be used for the purpose of determining the Successful Offeror's management fee earned for the month. If the Successful Offeror fails to comply with any one (1) or of the six items of the Successful Offeror's

management plan, a portion of the management fee will not be earned. The six items are:

1. Administrative Requirements
2. Re-Examinations, Rent Collection and Tenant Account Receivables
3. Unit, Common Area & Grounds Maintenance
4. Unit Turnover
5. Work Order System
6. Routine and Preventive Maintenance

NOTE: This is a change from previous RFPs and contracts where the management fee was withheld and the Contractor would be allowed to request the withholding upon successful completion of the outstanding item(s).

The STATE shall retain five percent (5%) from each monthly management fee billing as a withholding until final settlement of the Contract. Requests for payment shall be submitted at the end of each contract period and detail the gross amount requested, the five percent (5%) withholding amount and the net amount requested. Release of the five percent (5%) retainage shall be subject to final settlement of each applicable Contract period. The total withholding amount shall not exceed five percent (5%) of the total Contract amount.

NOTE: This is a change from previous RFPs and contracts where the STATE did not withhold a portion of the management fee until final settlement of each applicable Contract period.

2. Cost Reimbursement for All Costs Related to Personnel

The cost reimbursement pricing structure reflects a not to exceed purchase arrangement in which the HPHA pays the contractor for budgeted costs that are actually incurred in delivering the services specified in the Contract, up to a stated maximum obligation. Cost reimbursement shall apply, but not limited to, personnel salaries, wages, medical benefits, payroll taxes and other management expenses such as liability insurance. The Successful Offeror shall be required to submit invoices detailing the amount(s) to be reimbursed.

3. Other Financial Related Materials

In order to determine the adequacy of the interested offeror's accounting system as described under the administrative rules, the interested offeror shall submit a copy of the most recent financial audit as part of the proposal application.

The interested offerors should also describe in a comprehensive manner the fiscal management structure, including but not limited to budgeting, fiscal controls, and accounting.

IV. HUD Forms

A. Instructions to Offerors Non-Construction, form HUD 5369-B

The form HUD 5369-B is provided for the interested offeror's information and reference. Form HUD 5369-B is included in this RFP and can also be found at www.hudclips.org. See Attachment 25

B. Certifications and Representations of Offerors, form HUD 5369-C

The form HUD 5369-C must be completed and submitted to the HPHA with the proposal form by the required due date and time, and in the form prescribed by the state purchasing agency. The certification must be signed and dated by an authorized representative. Form HUD 5369-C is included in this RFP and can also be found at www.hudclips.org. See Attachment 26

V. General Conditions, form 5370-C

The form HUD 5370-C is provided for interested offeror's information and reference. See Attachment 19.

(END OF SECTION)

Section 4
Proposal Evaluation & Award

Section 4
Proposal Evaluation & Award

I. Proposal Evaluation

An evaluation committee approved by the Executive Director or designee will evaluate all responsive and responsible proposals. The evaluation of such proposals will be based solely on the evaluation criteria set out in this RFP. The evaluation committee's primary responsibility shall be to review the technical aspects of the proposals submitted. The price proposal review will be conducted by the evaluation committee chairperson. The review criteria will be as follows:

Evaluation Categories	**Possible Points**
Mandatory Requirements	**Pass or Rejected**
Proposal Application	**100 Points**
Background and Summary • Proposals will be reviewed for overall compliance with RFP requirements. • Up to 3 points will be awarded based on the offeror's ability to clearly and concisely summarize how the proposed service is designed to meet the need identified in the service specifications	3 points
Experience and Capability • Proposals will be reviewed for overall compliance with RFP requirements. • Up to 10 points will be awarded based on the extent to which the offeror clearly demonstrates their experience and knowledge, quality assurance plan, and ability to coordinate services with other agencies to provide the proposed services. • Up to 5 points will be awarded based on the extent to which the offeror clearly demonstrates having successfully performed the proposed services. • Interested offerors who can demonstrate at least two (2) years of experience managing low income public housing may receive a preference in ratings.	15 points
Personnel: Project Organization and Staffing • Proposals will be reviewed for overall compliance with RFP requirements. • Up to 6 points will be awarded based on the offeror's proposed staffing pattern and minimum qualifications pattern related to the delivery of the proposed services. • Up to 6 points will be awarded based on the offeror's organization chart, ability to supervise, train, provide	12 points

Evaluation Categories	Possible Points
Mandatory Requirements administrative direction to the delivery of the proposed services. • Interested offerors who can demonstrate at least two (2) years of experience managing low income public housing may receive a preference in ratings.	**Pass or Rejected**
Management Work Plan • Proposals will be reviewed for overall compliance with RFP requirements. • 1 point will be awarded on the offeror's proposal addressing the minimum services listed in the RFP. • Up to 27 points will be awarded on the offeror's ability to clearly and concisely describe in the management plan how the proposed administrative services will be accomplished. • Up to 27 points will be awarded on the offeror's ability to clearly and concisely describe in the management plan how the proposed maintenance services will be accomplished. • Interested offerors who can demonstrate at least two (2) years of experience managing low income public housing may received a preference in ratings.	55 points
Financial • Proposals will be reviewed for overall compliance with RFP requirements. • Up to 5 points will be awarded based on the reasonableness of the offeror's total management price for the proposed services.	5 points
Price Proposal • Proposals will be reviewed for overall compliance with RFP requirements. • Up to 10 points will be awarded to the proposal with the lowest cost factor. Each proposal that has a higher cost factor than the lowest must have a lower rating.	10 points
TOTAL POSSIBLE POINTS	**100 Points**

Proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable. If numerous acceptable and potentially acceptable proposals are submitted, the evaluation committee may rank the proposals and limit the priority list to three (3) responsive and responsible offerors who submitted the highest-ranked proposals. If there are less than three (3) acceptable or potentially acceptable proposals, the HPHA shall not be required to hold discussions with these offerors who submitted unacceptable proposals.

Discussion may be conducted with priority listed successful offerors who submit proposals determined to be acceptable or potentially acceptable of being selected for award, but proposals may be accepted without discussions. The objective of these discussions is to clarify issues regarding the Successful Offeror's proposal before the best and final offer, if necessary.

II. Mandatory Requirements

The HPHA will conduct an initial review to ensure that all proposals meet the minimum threshold requirements. Proposals will be reviewed to ensure submittal of all required attachments, certifications, forms, and narrative sections.

Statements which indicate that mandatory certifications will be submitted upon Contract award shall be unacceptable.

III. Financial/Price Proposal Review

The financial/price proposal review will be evaluated for financial and contractual acceptability and for reasonableness of the price proposal. The proposal with the lowest cost factor shall receive the highest available rating allocated to cost. Each proposal that has a higher cost factor than the lowest must have a lower rating for cost.

The points allocated higher to higher priced proposals must be equal to the lowest proposal price multiplied by the maximum points available for price, divided by the higher proposal price as follows:

$$\frac{\text{Price of the lowest price proposal x 10}}{\text{Price of the proposal being rated}}$$

In determining whether a proposal is responsive, the HPHA will evaluate the costs and its supporting documentation against realistic operational expenses.

The HPHA will also review the most recent audited statements of the Successful Offeror.

IV. Technical Review

The Successful Offeror's proposal shall be in the form prescribed by this solicitation and shall contain a response to each of the areas identified that affects the evaluation factors for award.

A. The technical proposal will be evaluated to determine, if the Successful Offeror possesses the capability to successfully perform the requirements of the solicitation. The technical criteria are shown below:

1. Experience and Capability;
2. Personnel and Staffing; and

3. Management Work Plan.

B. Proposals will be evaluated for technical and contractual acceptability. Proposals shall be prepared in accordance with the instructions given in the RFP and shall meet all requirements set forth in this RFP.

C. All proposals will be reviewed for reasonableness. Those offers that are not within the competitive range will be notified that their proposals are unacceptable, negotiations/discussions with them are not contemplated, and any revisions of their proposals will not be considered.

D. Award will be made to the responsible offeror whose proposal, conforming to the solicitation, will be most advantageous to the HPHA, considering price and other factors indicated below.

Pursuant to Chapter 3-122-59 HAR, if for a given request for proposals, there is only one responsible offeror submitting an acceptable proposal, an award may be made to the single offeror, rejected and new requests for proposals solicited or cancelled.

E. The HPHA reserves the right to award a Contract on the basis of the initial offers received without discussion. Offers are solicited on an "all or none" basis. Failure to submit offers for all items and quantities listed shall be cause for rejection. Proposals should be submitted initially on the most favorable terms of a price and technical standpoint, which the interested offeror can submit to the HPHA.

F. All proposals submitted will be evaluated on the basis of the evaluation criteria listed herein. Proposals shall conform to all terms and conditions contained in the Request for Proposals. Proposals which do not conform to all requirements expressed in this solicitation may be rejected without further evaluation, deliberation or discussion.

G. Past Performance. The HPHA will evaluate the quality of each interested offeror's past performance. The assessment of an interested offeror's past performance will be used as one means of evaluating the credibility of the interested offeror's approach to work accomplishment in the management plan. A record of marginal or unacceptable past performance may be an indication that the promises made by the interested offeror are less than reliable. Such an indication will be reflected in the HPHA's overall assessment of the interested offeror's proposal. However, a record of acceptable or even excellent past performance will not result in a favorable assessment of an otherwise unacceptable technical proposal.

In investigating an interested offeror's past performance, the HPHA will consider information in the interested offeror's proposal and information obtained from

other sources, including past and present customers and their employees; other Government agencies, including state and local agencies; consumer protection organizations and better business bureaus; former subcontractors; and others. Evaluation of past performance is a subjective assessment based on a consideration of all relevant facts and circumstances. The HPHA will seek to determine whether the interested offeror has consistently demonstrated a commitment to customer satisfaction and timely delivery of quality goods and services at fair and reasonable prices.

The HPHA's conclusions about the overall quality of the interested offeror's past performance will be influential in determining the relative merits of the interested offeror's proposal and in selecting the Successful Offeror whose proposal is considered most advantageous to the HPHA.

Past performance includes the interested offeror's record of conforming to specifications and to standards of good workmanship; the interested offeror's adherence to contract schedules, including the administrative aspects of performance, the interested offeror's control of costs, including costs incurred for changed work; the interested offeror's reputation for reasonable and cooperative behavior and commitment to customer satisfaction; and, generally, the interested offeror's business-like concern for the interests of the customer.

(END OF SECTION)

Section 5
Attachments

1. Summary of Physical Characteristics of Asset Management Project 50 Complex
2. Asset Management Project 50 Complex Map
3. Sample of Various Reporting Forms
4. Federally-Assisted Housing Projects, HAR, Title 17, Subtitle 5, Chapter 2028
5. HPHA Rent Collection Policy and Procedures
6. Eviction Procedures, HAR, Title 17, Subtitle 5, Chapter 2020
7. Grievance Procedures, HAR, Title 17, Subtitle 5, Chapter 2021
8. HPHA Pet Ownership Policy for Federal Public Housing Projects
9. HPHA Implementation of Public Housing Resident Community Service Requirements
10. Sample Rental Agreement for Federal Public Housing
11. Sample Project Rules
12. Sample Contract for Goods and Services Based on Competitive Sealed Proposals
13. Sample Contract – Attachment S1, Scope of Services
14. Sample Contract– Attachment S2, Compensation and Payment Schedule
15. Sample Contract – Attachment S3, Time of Performance
16. Sample Contract – Attachment S4, Certificate of Exemption from Civil Service
17. Sample Contract – Attachment S5, Special Conditions
18. General Conditions, State AG2-GC (6/25/2007)
19. General Conditions, Federal form HUD 5370-C
20. Sample Operating Budget Form
21. Price Proposal Format
22. Wage Certificate for Service Contracts
23. Current Wage Rates and Position Descriptions
24. Examples of Project & Management Fee Costs
25. Instructions to Offerors Non-Construction, form HUD 5369-B
26. Certifications and Representations of Offerors, form HUD 5369-C
27. Competitively Sealed Proposals Application Identification Form
28. Hawaii State Government 2011/2012 Holiday Schedule

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