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IN REPLY PLEASE REFER TO:
21:CPO/156

April 28, 2021

TO: Interested Parties

FROM: Rick T. Sogawa 
Procurement Officer

SUBJECT: Invitation for Bids No. CMB-2021-11, Addendum No. 1
Furnish Preventive Maintenance Services to Major Systems at Various
HPHA Properties on Oahu

This Addendum No. 1 is to: 1) amend the IFB; and 2) provide responses to questions that were received at the Pre-Bid Tele-Conference conducted by the Hawaii Public Housing Authority (HPHA) on April 14, 2021, up until April 21, 2021:

Part I – Amendments to IFB:

1. Amend Section 1, subsection VII.C. Wages and Labor Law Compliance, pages 4 – 6, as follows:

- C. Wages and Labor Law Compliance and Weekly Certified Payroll Submission. Prior to entering into a Contract in excess of \$25,000, a Bidder 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. Bidders 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 Bidder shall be obligated to provide such increased wages.

Bidders shall complete and submit the attached Wage Certification certifying that the services required will be performed pursuant to section 103-55, HRS. See Attachment 1.

The Successful Bidder 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 Successful Bidder may meet this obligation by posting a written notice to this effect in the Successful Offeror's place of business in an area accessible to all employees.

Bidders 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 for State employees performing similar work have been published by the DHRD.

If wages increase after the execution of the Contract, the Successful Bidder 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 Successful Bidder shall not be compensated for any reimbursement of retroactive pay negotiated by the State. The Successful Bidder's request for the increase must meet the following criteria:

1. If the Successful Bidder's hourly wage rate is greater than the prevailing State wage at the time of the offer submittal, the Successful Bidder's requests for increase will not be considered.
2. The Successful Bidder must or must have provided documentation to show that it is in compliance with section 103-55, HRS, that its employees are being paid no less than the known wage of the listed State position. 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:
 - a. Request for increase for the initial Contract period must be made as soon as practicable after the State wage agreements are made public. Approved requests will be retroactive to the date of increase for the State employees with adequate documentation that the Successful Bidder provided its employees a wage increase.

- b. 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://dhrd.hawaii.gov/state-hr-professionals/class-and-comp/salary-schedules/>

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

For services performed by laborers and mechanics, the Successful Offeror or the Successful Offeror's subcontractor shall give a copy of the rates of wages to each laborer and mechanic employed under the Contract at the time each laborer and mechanic is employed; provided that the contractor does not have to provide the contractor's employees the wage rate schedules where there is a collective bargaining agreement;

During the Contract performance period for award in excess of \$25,000, the Successful Offer or Successful Offeror's subcontractor shall submit certified copy of all payroll for employees and subcontractors performing services under the resulting Contract to the HPHA on a weekly basis. The certified copy of payroll shall demonstrate compliance with section 103-55, HRS. The certified payroll shall include the following information:

- 1. Name of each employee**
- 2. Employees correct classification**
- 3. Rate of pay**
- 4. Daily and weekly number of hours worked**
- 5. Deductions made**
- 6. Actual wages paid**

Payroll records for all employees working under the resulting Contract shall be maintained by the Successful Offeror and the Successful Offeror's subcontractor during the course of the work and preserved for a period of three (3) years thereafter. The Successful Offeror shall make payroll records available for examination within ten (10) days from the date of a written request from the HPHA or any authorized representatives thereof.

No Contract in excess of \$25,000 shall be awarded unless all conditions of this section are met. Failure to comply with the conditions of this section during the Contract performance period shall result in cancellation of the Contract, unless such noncompliance is corrected within a reasonable period as determined by the HPHA. Final payment of the Contract shall not

be made unless the HPHA determined that the noncompliance has been corrected.

2. **Amend** Section 2, subsection II. General Requirements, page 11, by adding a new section as follows:

- xi. License Requirement

- C-37 Plumbing license

3. **Amend** Section 3, subsection I. Bid Offer Form, page 34, by adding a new section as follows:

- D. C-37 Plumbing license

Part II – Written Questions and Responses:

1. For IFB CMS-2021-11, Preventive Maintenance Services project, please confirm if State of Hawaii Contractor license C-37 Plumbing is required.

Response:

Yes, a State of Hawaii Contractor license C-37 Plumbing is required. See Part I of this Addendum No. 1 for amendments to this IFB.

2. Can you clarify Bid Item 4. Punchbowl, Item 2. is for Annual service and would be for 1 time each year. The description on the attachment was cut off.

Response:

Yes, bid item 4. Punchbowl Homes, item 2 is for an annual service. See Attachment 2a issued under this Addendum No. 1.

3. Will contractor need to stock a full inventory of replacement repair parts? The cost to have all possible replacement repair parts for the wide range of equipment being serviced would be very costly and would have to be factored into the maintenance costs even though the parts may not be required. Some parts that are not normally used on a regular basis but would have to be stocked are spare pumps, variable frequency drives, burners, gauges, etc.

Could the parts be purchased as necessary and billed as an extra under the contact?

Response:

The HPHA is currently gathering the necessary information and will issue a response as an addendum to the IFB.

4. We believe that the instantaneous heaters should be flushed on an Annual basis rather than Quarterly? Can the flushing be performed as an Annual requirement?

Response:

The HPHA is currently gathering the necessary information and will issue a response as an addendum to the IFB.

If you have any questions, please call contact Rick Sogawa, RFP Coordinator at (808) 832-6038. Thank you for your attention to this matter.

