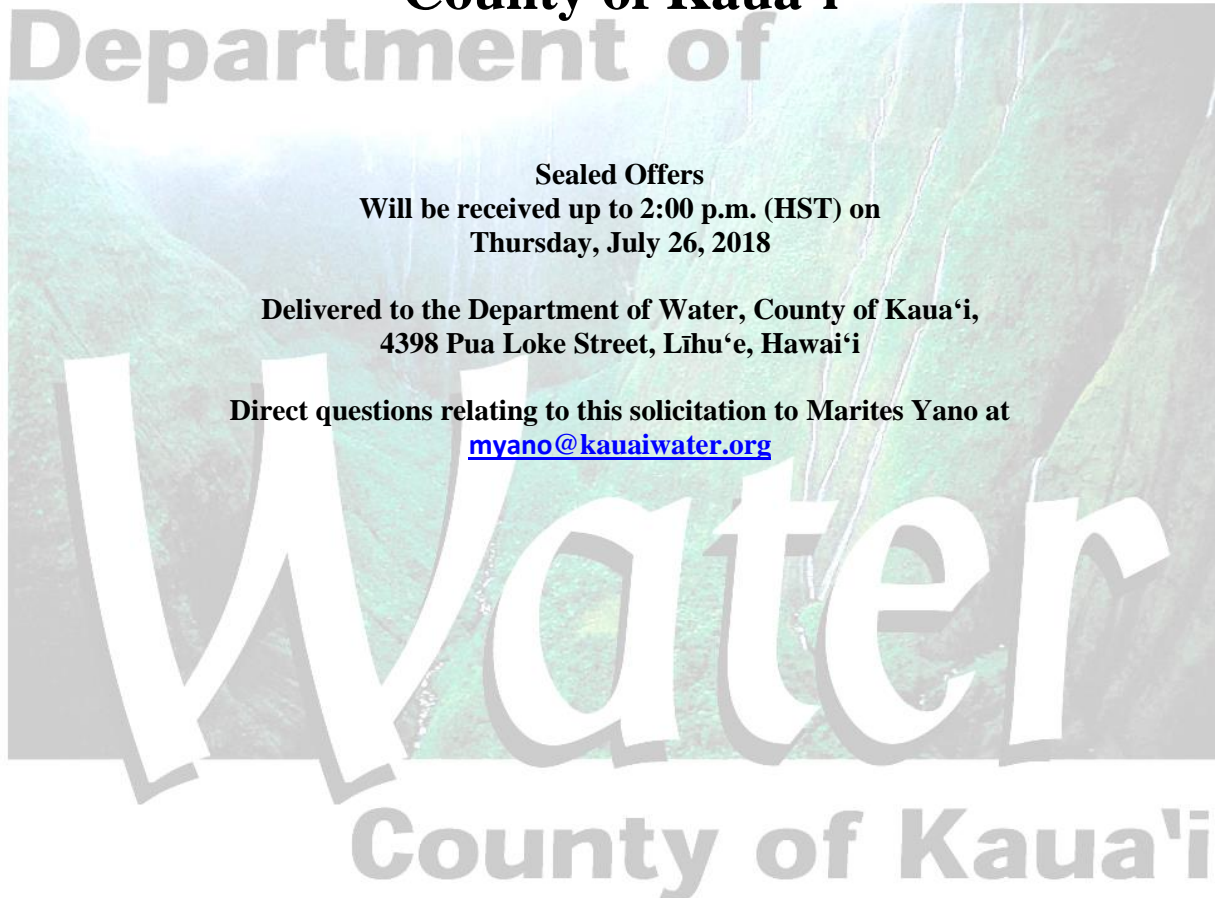


# Request for Proposals RFP #IT-2019-01 CC&B Hosting & Support Services

Department of Water  
County of Kaua'i



**Sealed Offers**

**Will be received up to 2:00 p.m. (HST) on  
Thursday, July 26, 2018**

**Delivered to the Department of Water, County of Kaua'i,  
4398 Pua Loke Street, Lihu'e, Hawai'i**

**Direct questions relating to this solicitation to Marites Yano at  
[myano@kauaiwater.org](mailto:myano@kauaiwater.org)**

This solicitation is provided for information purposes. Parties interested in responding to this solicitation shall submit offers using this document provided prior registration by email for this specific solicitation. Not registering may be grounds for automatic rejection.

**Registration for solicitation:** [cerorita@kauaiwater.org](mailto:cerorita@kauaiwater.org)

**Provide the following information:** Company Name; contact person; solicitation number; mailing address; email address; telephone number; fax number; enter "RFP #IT-2019-01 CC&B Hosting & Support Services" in email subject line

POSTED 6/28/18 via [www.kauaiwater.org](http://www.kauaiwater.org), SPO website, [www.publicpurchase.com](http://www.publicpurchase.com)

## Table of Contents

SECTION ONE .....	4
INTRODUCTION, TERMS AND ACRONYMS, KEY DATES .....	4
1.1 INTRODUCTION .....	4
1.2 CANCELLATION .....	4
1.3 RFP SCHEDULE AND SIGNIFICANT DATES .....	4
1.4 QUESTIONS AND ANSWERS PRIOR TO OPENING OF PROPOSALS .....	5
SECTION TWO.....	6
BACKGROUND AND SCOPE OF WORK .....	6
2.1 BACKGROUND .....	6
2.2 SCOPE OF WORK.....	6
2.3 TERM OF CONTRACT .....	9
2.4 PROCUREMENT OFFICER .....	9
SECTION THREE.....	11
PROPOSAL FORMAT AND CONTENT .....	11
3.1 OFFEROR’S AUTHORITY TO SUBMIT AN OFFER .....	11
3.2 REQUIRED REVIEW .....	11
3.3 PROPOSAL PREPARATION COSTS .....	11
3.4 TAX LIABILITY .....	11
3.5 PROPERTY OF THE DEPARTMENT.....	11
3.6 CONFIDENTIAL INFORMATION .....	12
3.7 EXCEPTIONS .....	12
3.8 PROPOSAL OBJECTIVES.....	12
3.9 PROPOSAL FORMS.....	13
3.10 PROPOSAL CONTENTS .....	13
3.11 RECEIPT AND REGISTER OF PROPOSALS .....	17
3.12 BEST AND FINAL OFFER (BAFO).....	17
3.13 MODIFICATION PRIOR TO SUBMITTAL DEADLINE OR WITHDRAWAL OF OFFERS .....	17
3.14 MISTAKES IN PROPOSALS .....	17
SECTION FOUR .....	19
EVALUATION CRITERIA .....	19
SECTION FIVE.....	20
CONTRACTOR SELECTION AND CONTRACT AWARD.....	20

5.1	EVALUATION OF PROPOSALS .....	20
5.2	DISCUSSION WITH PRIORITY LISTED OFFERORS .....	20
5.3	AWARD OF CONTRACT .....	20
5.4	RESPONSIBILITY OF OFFERORS .....	20
5.5	PROPOSAL AS PART OF THE CONTRACT.....	21
5.6	PUBLIC EXAMINATION OF PROPOSALS .....	21
5.7	DEBRIEFING.....	21
5.8	PROTEST PROCEDURES .....	21
5.9	APPROVALS .....	22
5.10	CONTRACT EXECUTION .....	22
5.11	INSURANCE.....	22
5.12	REQUIREMENTS FOR PERFORMANCE BONDS .....	22
5.13	CONTRACT INVALIDATION .....	22
5.14	STANDARD CONTRACT .....	22
5.15	EXPENSES OF PREPARING RESPONSES TO THIS RFP .....	23
5.16	LETTER OF INTENT .....	23
5.17	SUBMITTAL INSTRUCTIONS .....	23
5.18	QUESTIONS .....	23
5.19	ACKNOWLEDGEMENT OF ADDENDA .....	23
	SECTION SIX .....	24
	SPECIAL PROVISIONS.....	24
6.1	OFFER GUARANTY.....	24
6.2	VALIDATION, TESTING AND ACCEPTANCE .....	24
6.3	INTELLECTUAL PROPERTY RIGHTS .....	24
6.4	WARRANTIES AND DISCLAIMER OF IMPLIED WARRANTIES .....	24
6.5	PREFERENCES .....	24
6.6	CERTIFICATION OF OFFEROR CONCERNING WAGES, HOURS AND WORKING..	26
	CONDITIONS OF EMPLOYEES SUPPLYING SERVICES ( <i>include as applicable</i> ).....	26
	NOTICE OF INTENT TO PROPOSE.....	27
	OF-1 .....	28

## **SECTION ONE**

### **INTRODUCTION, TERMS AND ACRONYMS, KEY DATES**

#### **1.1 INTRODUCTION**

The Department of Water, County of Kaua'i ("DOW") is requesting proposals from qualified vendors to provide hosting solutions for the Oracle billing system, Customer Care and Billing ("CC&B").

1.1.1 Proposals must include a separate fee for each of the following:

- a. Oracle database & CC&B hosting solution; provide available options with a corresponding fee proposal for each option;
- b. Manage and provide functional and technical support for CC&B applications only;
- c. Functional and Technical Support for CC&B applications and all other integrated cloud service applications; and
- d. Packaged solutions of any combination of the above.

1.1.2 The DOW may choose to implement 1) a cloud hosting solution only or 2) cloud hosting solution and any combination of section 1.1.1, above.

1.1.3 The selected vendor will be required to provide two deliverables which must be included in the RFP response: Statement of Work (SOW) and a Narrative Implementation Plan.

#### **1.2 CANCELLATION**

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

#### **1.3 RFP SCHEDULE AND SIGNIFICANT DATES**

The schedule represents the DOW's best estimate of the schedule that will be followed. All times indicated are Hawai'i Standard Time (HST). If a component of this schedule, such as "Proposal Due date/time" is delayed, the rest of the schedule will likely be shifted by the same number of days. Any change to the RFP Schedule and Significant Dates shall be reflected in and issued in an addendum. The approximate schedule is as follows:

Release of Request for Proposals	June 28, 2018
Due date to submit Questions	July 6, 2018
The DOW's Response to Questions	July 9 – July 17, 2018
Letter of Intent	July 20, 2018
Proposals Due date/time	July 26, 2018 at 2:00 PM
Proposal Evaluations	July 27 – August 7, 2018
Discussion with Priority Listed Offerors (Demonstration by priority listed offerors) at 4398 Pua Loke Street, Līhu'e, HI 96766	August 7 – August 10, 2018
Best and Final Offer (if necessary)	August 15, 2018
Notice of Award	August/September 2018
Contract Start Date	August/September 2018

**1.4 QUESTIONS AND ANSWERS PRIOR TO OPENING OF PROPOSALS**

All questions shall be submitted by the due date specified in Section 1.3, *RFP Schedule and Significant Dates*, as amended.

The DOW will respond to questions through Addenda to this RFP up to and including the date specified in Section 1.3, *RFP Schedule and Significant Dates*, as amended.

All documentation shall be mailed and opened at the DOW, County of Kaua'i, 4398 Pua Loke Street, Līhu'e, Hawai'i 96766 ("DOW Admin Office").

## SECTION TWO

### BACKGROUND AND SCOPE OF WORK

#### 2.1 BACKGROUND

The DOW is a water utility whose mission is to provide safe, affordable, sufficient drinking water through wise management of our resources with excellent customer service for the people of Kauaʻi.

The DOW is a semi-autonomous agency of the County of Kauaʻi. Revenue from water sales is the main source of income that finances its operations. There are 9 water systems that supply approximately 22,000 accounts. These accounts were maintained through the Honolulu Board of Water Supply (HBWS)'s Customer Accounting System (CAS) which was later converted in 2013 to Customer Care & Billing System (CC&B).

On October, 2016, the DOW converted from the HBWS' CC&B hosted environment to its own instance of CC&B using oracle V2.5 database. The conversion from HBWS' hosted environment to DOW's own CC&B environment created a huge impact on personnel to the DOW. The daily monitoring, maintenance and support is beyond the capabilities of the limited IT staff of the DOW.

The DOW finds that the need for a CC&B hosted solution is critical to the DOW's operations to ensure that the system is functioning reliably while allowing its own IT staff to focus on the day to day operations of the department.

The DOW will continue to maintain its own CC&B license while the successful vendor will be responsible for the overall reliability of the CC&B system. The services must include but not limited to the daily, monthly, and annual maintenance of the CC&B system. It must also include regular updates and upgrades as required of the software program.

#### 2.2 SCOPE OF WORK

All Services shall be in accordance with this Request for Proposal (RFP), including its attachments and any addenda.

##### 2.2.1 Provide Hosting of DOW's Oracle database and CC&B Application.

- i. Provide and manage DOW cloud hosting solutions that includes servers, operating systems, storage, backups, networking, and security.

##### 2.2.2 Provide ongoing support to the DOW staff during normal office hours. Functional and Technical Support for CC&B business processes, customization, consulting and database administration includes but is not limited to the following:

- i. Daily batch processing, daily back up of the system.
- ii. Errors and problems arising from manual or automated reports.

- iii. Assist with administrative control functions.
- iv. Bill factor rate changes as needed.
- v. Report generation; Daily/Monthly/Annual reporting
- vi. Apply fixes & patches and future updates and upgrades within the contract period.
- vii. Answer questions, troubleshoot, and resolve issues.

In addition, the successful vendor must be able to work with other DOW outside service providers for services such as.

- 1. Bill processing and mailings.
- 2. Online Payments such as ACH or credit card third party providers.
- 3. Bank institutions.
- 4. Auditors.

The successful vendor must established a desk help center available during normal office hours from 7:30 a.m. to 4:45 p.m. Hawaii Standard Time (HST) for any functional and technical support when the needs arises.

- 2.2.3. As needed customized solutions.
  - i. Modify existing or create new CC&B reports.

#### 2.2.4. Payment Options

- 1. An interactive voice Response (IVR) service
- 2. A Payment APP (Apple and Android Based Device)
- 3. Online Customer Service Portal – Debit and Credit Card Payments

The selected vendor should propose any additional payment options that are customer friendly, such as PayPal, etc.

#### ***Discovery Session & Statement of Work (SOW)***

The vendor will conduct its initial discovery of the CC&B application and hosting requirements and must provide a statement of work and a firm Implementation Plan Proposal to the DOW. Provide a narrative of the vendor’s methodology and approach to perform the conversion of the hosting solution from its current location to the new hosting solution and develop a cost saving analysis proposal which may involve business process assessment, data integration and population, implementation, testing, training documentation, and ongoing support and maintenance.

*Vendor shall provide this section in the form of a Statement of Work. In the cost section of this RFP, the vendor will be required to provide a fixed cost for this scope of work.*

#### ***Implementation Plan***

The vendor will develop an Implementation Plan for initial set-up, data transfer, and on-going maintenance of the software and/or products and services that addresses all tasks and proposed deliverables identified in this Section requirements.

*Vendor shall provide this section in the form of a Narrative outlining vendor’s methodology, approach, resource requirement, and risks. In the cost section of this RFP, the vendor will be required to provide a budgetary cost for this plan at this time. A firm cost will be required after the Discovery Session is completed.*

The following section outlines the minimum scope of what should be covered in the requested narrative: The CC&B Hosted Solution Work Plan & Approach. The selected vendor must provide project support with the DOW's implementation team in successfully implementing the hosted solution. The DOW's implementation team will consist of staff from the DOW including Information Technology, Billing, and Accounting. The selected vendor will be required to assign a project manager to this project. The selected vendor and the assigned project manager will be required to manage the project resources to ensure the requirements of this RFP and the resulting contract are satisfied. Vendors must propose an effective and sufficiently formalized approach that allows for the anticipation of problems, potential delays, and the formulation and execution of appropriate corrective action.

### ***CC&B License***

The Department will hold on to its current CC&B License and will renew directly with Oracle or applicable reseller

### ***Data Integration and Population***

The selected vendor will need to import Kauai DOW's current CC&B data from its current location to the new CC&B hosted environment and must verify that all information is accurately transferred over to the new-hosted system. The selected vendor will also work with the Department to ensure that only DOW data will be integrated and populated to its own designated DOW CC&B database and any data that does not belong to the DOW must be isolated and removed.

### ***Installation***

The selected vendor will work with the DOW's Information Technology staff to install a secure connection and setup all software components and configure the database and server as necessary to support the software during testing and when the system goes live. Any required configuration, customization, and development of current customized reports for the DOW to support the functional and technical requirements presented in the system requirements must be included in the services to be provided during the implementation.

### ***System Testing***

The selected vendor will work with the DOW's implementation team to develop a test plan to determine if the system meets all functional and technical requirements. Testing will be conducted for all standard functionality provided in the DOW's current configuration. Testing will be performed by the DOW's staff. The system will not go "live" until system testing is completed and the DOW's staff is satisfied that all issues identified during the testing process are resolved.

### ***Documentation***

The selected vendor, upon successful implementation, will provide all documentation for the implementation, testing, and configuration to the DOW.

### ***Support and Maintenance***

The selected vendor will provide functional and technical support including software version updates and upgrades to the hosted solution.

The following shall apply for the life of the contract, including but not limited to:

- Secure VPN Access to CC&B, Reporting Tool, and Cloud Services;



- All major and minor updates/ upgrades, including but not limited to hotfixes and maintenance releases, must be provided periodically and installed by the vendor at no additional costs to the DOW throughout the term of the contract, provided maintenance is up to date;
- Resolving and designing fixes for issues in the functionality;
- Monitoring performance of the system;
- Monitoring daily batch processing and helping with data cleanup.
- Assist with issues for invalid entries.
- Assists with the errors arising from customized reports.
- DOW will not incur any additional fees as a result of the vendor changing platforms that support the proposed solution;
- Support for as needed bill factor changes for Water Rates; and
- Support for all Accounting and Meter Reads Update.

The selected vendor shall supply information about expected response times to technical inquiries, and shall describe the process by which software patches and upgrades are distributed and applied including a description of how this process works when a client purchases and applies customizations to their system.

Note that if customization is required, it must not interfere with software updates/upgrades/versions.

### **2.3 TERM OF CONTRACT**

The contract shall be for a multi-term of five (5) years and is intended to begin approximately on August/September, 2018 and ends on July/August, 2023. See HAR sec. 3-122-149 on multi-term contracts.

The contractual obligation of both parties in each fiscal period succeeding the first is subject to the appropriation and availability of funds. The contract will be cancelled if funds are not appropriated or otherwise made available to support continuation of performance in any fiscal year succeeding the initial fiscal year. In this event, the contract shall automatically terminate at the end of the fiscal year for which funds have been appropriated. In the event the contract is cancelled because funds are not appropriated or otherwise made available to support the continuation of the contract after the first fiscal year, no breach of contract shall be deemed to have occurred as a result of this termination, which shall be considered as a normal termination of the contract, provided that the contractor shall be reimbursed for its unamortized, reasonably incurred, nonrecurring costs. The Board will notify the Contractor on a timely basis regarding the availability of funds for the continuation of the contract for each succeeding year.

Unless terminated, the Contractor and the DOW may extend the term of the contract for twelve (12) additional months or portions thereof (“Option Term”) without the necessity of re-soliciting, upon mutual agreement in writing at least sixty (60) days prior to the expiration of the contract. The contract price paid to the Contractor for the extended period shall remain the same or as described in the offer.

### **2.4 PROCUREMENT OFFICER**

The PROCUREMENT Officer of this contract is:  
Marites Yano

Waterworks Controller  
Phone: (808) 245-5422,  
Email: [myano@kauaiwater.org](mailto:myano@kauaiwater.org)

## **SECTION THREE**

### **PROPOSAL FORMAT AND CONTENT**

#### **3.1 OFFEROR'S AUTHORITY TO SUBMIT AN OFFER**

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

#### **3.2 REQUIRED REVIEW**

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

3.2.2 Should Offeror find defects and questionable or objectionable items in the RFP, Offeror shall notify the DOW in writing prior to the deadline for written questions as stated in the RFP *Schedule and Significant Dates*, as amended. This will allow the issuance of any necessary corrections and/or amendments to the RFP by addendum, and mitigate reliance on a defective solicitation.

#### **3.3 PROPOSAL PREPARATION COSTS**

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

#### **3.4 TAX LIABILITY**

3.4.1 Work to be performed under this solicitation is a business activity taxable under HRS Chapter 237, and if applicable, taxable under HRS Chapter 238. Offerors are advised that they are liable for the Hawai'i GET at the current 4.5% for sales made on Oahu, and at the 4% rate for the islands of Hawai'i, Maui, Molokai, and Kaua'i. If, however, an Offeror is a person exempt by HRS from paying the GET and therefore not liable for the taxes on this solicitation, Offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

3.4.2 Federal Tax I.D. Number and Hawai'i General Excise Tax License I.D. Offeror shall submit its current Federal Tax I.D. Number and Hawai'i General Excise Tax License I.D. number in the space provided on Offer Form, OF-1, page 28, thereby attesting that the Offeror is doing business in the State and that Offeror will pay such taxes on all sales made to the State.

#### **3.5 PROPERTY OF THE DEPARTMENT**

All proposals become the property of the DOW, County of Kaua'i.

### **3.6 CONFIDENTIAL INFORMATION**

- 3.6.1 If an Offeror believes that any portion of a proposal, offer, specification, protest, or correspondence contains information that should be withheld from disclosure as confidential, then the Offeror shall inform the Officer in Charge in writing and provide justification to support the Offeror's confidentiality claim. Price is not considered confidential and will not be withheld.
- 3.6.2 An Offeror shall request in writing nondisclosure of information such as designated trade secrets or other proprietary data Offeror considers to be confidential. Such requests for nondisclosure shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal.
- 3.6.3 All such requests for confidentiality and nondisclosure of information shall be subject to HAR §3-122-58 and the Uniform Information Practices Act, Hawai'i Revised Statutes. Any and all portions of the proposal requested to be designated as confidential or not for disclosure shall be readily separable from the remaining portions of the proposal.

### **3.7 EXCEPTIONS**

Should Offeror take any exception to the terms, conditions, specifications, or other requirements listed in the RFP, Offeror shall list such exceptions in this section of the Offeror's proposal. Offeror shall reference the RFP section where exception is taken, a description of the exception taken, and the proposed alternative, if any. The DOW reserves the right to accept or not accept any exceptions; provided that no exceptions to statutory requirements of the DOW's General Terms and Conditions for Goods and Services Contracts, dated August 2010 (hereinafter "General Terms") shall be considered.

### **3.8 PROPOSAL OBJECTIVES**

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

### 3.9 PROPOSAL FORMS

- 3.9.1 To be considered responsive, the Offeror's proposal shall respond to and include all items specified in this RFP and any subsequent addendum. Any proposal offering any other set of terms and conditions that conflict with the General Terms provided in the RFP or in any subsequent addendum may be rejected without further consideration.
- 3.9.2 Offer Form, Page OF-1. Offer Form, OF-1 is required to be completed using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable, in the appropriate space on Offer Form, OF-1. Failure to do so may delay proper execution of the Contract.

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

### 3.10 PROPOSAL CONTENTS

Proposals must:

- 3.10.1 Include a transmittal letter to confirm that the Offeror shall comply with the requirements, provisions, terms, and conditions specified in this RFP.
- 3.10.2 Include a signed Offer Form OF-1 with the complete name and address of Offeror's firm and the name, mailing address, and telephone number of the person the DOW should contact regarding the Offeror's proposal.
- 3.10.3 If subcontractor(s) will be used, append a statement to the transmittal letter from each subcontractor, signed by an individual authorized to legally bind the subcontractor and stating:
- a. The general scope of work to be performed by the subcontractor;
  - b. The subcontractor's willingness to perform for the indicated scope of work.
- 3.10.4 Provide all of the information requested in this RFP in the order specified.
- 3.10.5 Be organized into sections, following the exact format using all titles, subtitles, and numbering, with tabs separating each section described below. Each section must be addressed individually and pages must be numbered.
- a. Transmittal Letter-Notice of Intent to Propose, Offer Form OF-1
  - b. Experience and Capabilities. The respondent's proposal should be divided into the following distinct sections, as detailed in the following paragraphs:
    - **Executive Summary**
    - **Proposal Section A** – Vendor Qualifications
    - **Proposal Section B**– System Requirements (Functional and Technical)
    - **Proposal Section C** – Implementation Proposal (Discovery SOW and

- Implementation Plan)
- **Proposal Section D** – Cost Proposal
- **Addenda**

The above sections should be submitted together, with each section clearly labeled and subdivided.

Further description of each required deliverable is outlined in the following subsections:

**1. Proposal Section A – Vendor Qualifications**

Vendors must demonstrate proven knowledge and experience supplying the CC&B hosted solutions to firms of a size and business function comparable to the DOW. (Please provide a list of similar projects) Vendors must also include a financial statement.

From the list of project experience mentioned above, pick three project implementation of your choice (preferably a CC&B hosted solution or any similar hosted project ) that represent what you believe closely reflect the project specified in Section 2 and provide a brief description.

In addition to this information, the Qualifications of the Vendor must include:

- Number of years the vendor has been in business.
- A brief description of the vendor’s size and organization.
- Most recent audited financial statements, included in an Appendix.

The Proposer should provide at least three (3) client references for the projects highlighted above. Information should include at the minimum: date of installation, length of implementation, name of client reference, name of client’s project manager, jurisdiction, address, telephone, and fax numbers.

**2. Proposal Section B - System Requirements (Functional and Technical)**

Responses to system requirements, both functional and technical, must be outlined in detail and provide explanations as necessary.

**a. Proposed Features and Functionality**

The Proposer must succinctly describe the overall functionality, features, and capabilities of the proposed hosting environment and any related requirements, collectively referred to herein as the Vendor’s “proposed CC&B hosted solution”. In addition, the following information should be included:

- Hardware Environment – Describe the hardware environment recommended utilizing the proposed CC&B hosted solution. In the event there is more than one suitable hardware platform, list all options indicating the relative strengths and drawbacks of each.
- Operating System – Identify the operating system recommended for the proposed CC&B hosted solution (including the database management system) in the hardware environment recommended above. In the event there is more than one suitable operating system, list all options indicating the relative strengths and drawbacks (if any) of each.

**b. Extendibility**

Provide a description of the Proposed CC&B hosted solutions extendibility leveraging open technology standards. Describe any certifications, developer networks and user groups available. Discuss any optional end-user productivity tools.

**c. Optional and Third Party Software**

The Proposer should explicitly state the name of any third-party products that are part of the proposed CC&B hosted solution. It is the sole responsibility of the Proposer to obtain all subcontracts with proposed third party solution vendors.

Include a description of any products, features, or other value added components available for use with the proposed hosting solution that have not been specifically requested in this RFP. Consideration of these products features or other value added components will be given where these may be of value to the DOW. This section should not exceed three (3) pages.

**d. System Security**

The Proposer should include a detailed description of the proposed system's security features, including a description of the number and levels of security access allowed with the proposed hosting solution and the audit functions built-into the system to track user activity. The Proposer should also include if they leverage infrastructure security. This section should not exceed two (2) pages.

**3. Proposal Section C - Implementation Proposal**

The DOW fully understands that a detailed implementation approach, specific to the nature of the DOW's desired global deployment is not feasible without a detailed Discovery phase. The DOW requests that vendors submit the following:

**a. Discovery Statement of Work (SOW)**

Vendor shall provide a Statement of Work for Discovery. In the cost section of this RFP, the vendor will be required to provide a fixed cost for this scope of work.

**b. Implementation Plan**

Vendor shall provide a Narrative outlining vendors methodology, approach, resource requirement, and risks. At a minimum this section must include:

- Detailed implementation methodology, describing how you would approach this project. Provide detailed discussion of the following elements of your implementation approach.
- Expected number of the DOW's Full Time Equivalent hours required at different stages/modules of the implementation process and for ongoing support; and
- Hardware and Software requirements.
- Data environment conversion plan.
- Data population and integration.
- Data testing and validation.

- Reports testing and validation.
- Required resources from DOW.

Vendor must provide details about maintaining the CC&B Hosting Services including but not limited to the following:

- Cloud Security Policy.
- System and data access controls.
- DOW customer information and maintaining confidentiality.
- CC&B data backup and disaster recovery plan.
- Backup plan for power and internet interruptions.

Vendor must demonstrate ability to deliver support & maintenance on a consistent basis including but not limited to the following:

- Details of any training to be provided to DOW staff, webcast or on-site trainings.
- Functional and technical support; help desk during and after business hours.

#### *4. Proposal Section D - Cost Proposal*

##### a. Cost Proposal Contents

Do not include fees or costs in any area outside of the cost proposal. Cost should be estimated for the life of the project. Software maintenance costs should be listed for a total of five years broken down yearly. Maintenance costs for the Option Term per Section 2.3 Term of Contract, shall also be included in the cost proposal.

##### b. Cost Proposal Format

Vendors are required to complete the following form for inclusion in the cost proposal:

- Fee Proposal Form: Itemized Cost Estimate for full Project life Cycle

In addition to these forms, the Fee Proposal must include a transmittal letter signed by an individual who is authorized to enter into a contractual relationship. The transmittal letter should include any assumptions that were used to develop the fee, including applicable pricing discounts and the terms of the fee quotation. The fee quotation must be valid for a minimum of sixty (90) days.

\* Please note that the fee proposal form presented on the following page is a sample and vendors can provide their costs with as much explanation as deemed necessary.

##### c. A summary listing of judgments or pending lawsuits or actions against, adverse contract actions, including termination(s), suspension, imposition of penalties, or other actions relating to failure to perform or deficiencies in fulfilling contractual obligations against your firm. If none, so state.

##### d. Exclusions.



### **3.11 RECEIPT AND REGISTER OF PROPOSALS**

Proposals will be received and receipt verified by two or more DOW Employees at DOW Admin Office on or after the date and time specified in Section 1.3, *RFP Schedule and Significant Dates*, as amended. The register of proposals and proposals of the Offeror(s) shall be open to public inspection upon posting of award pursuant to section 103D-701, Hawai‘i Revised Statutes (“HRS”).

### **3.12 BEST AND FINAL OFFER (BAFO)**

If the DOW determines a BAFO is necessary, it shall request one from the priority listed Offerors, in accordance with Hawai‘i Administrative Rules (“HAR”) §3-122-54. The Offeror shall submit its BAFO and any BAFO received after the deadline or not received shall not be considered; if no notice of withdrawal or BAFO is received, the immediate previous offer will be construed as the best and final offer.

### **3.13 MODIFICATION PRIOR TO SUBMITTAL DEADLINE OR WITHDRAWAL OF OFFERS**

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

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

### **3.14 MISTAKES IN PROPOSALS**

3.14.1 Mistakes shall not be corrected after award of contract.

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

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

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

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

Technical irregularities are matters of form rather than substance evident from the proposal document, or insignificant mistakes that can be waived or corrected without prejudice to other Offerors; that is, when there is no effect on price, quality, or quantity. If discussions are not held or if BAFOs upon which award will be made have been received, the Procurement Officer may waive such irregularities or allow an Offeror to correct them if either is in the best interest of the DOW. Examples include the failure of an Offeror to: return the number of signed proposals required by the request for proposals; sign the proposal, but only if the unsigned proposal is accompanied by other material indicating the Offeror's intent to be bound; or to acknowledge receipt of an addendum to the RFP, but only if it is clear from the proposal that the Offeror received the addendum and intended to be bound by its terms; or the addendum involved had no effect on price, quality, or quantity.

## SECTION FOUR

### EVALUATION CRITERIA

Evaluation criteria and the associated points are listed below. The award will be made to the responsible Offeror whose proposal is determined to be the most advantageous to the DOW based on the evaluation criteria listed in this section.

**The total number of points used to score this contract is 100.**

The following selection criteria will be used as the basis for the evaluation of proposals.

#### **A. Vendor Viability (25 Points)**

Vendor Qualifications – This criterion measures the vendor’s track record and ability to support the DOW’s CC&B Hosted Solution over the duration of the project. The vendor must demonstrate a track record of business and demonstrate financial strength and industry leadership. Key criteria will include: customer portfolio, references, years in business, financial viability, line of business focus (software, custom applications or services), industry focus, etc.

#### **B. Cloud Hosting Proposal and Vendors Ability to meet the DOW’s Requirements (25 Points)**

Functional & Technical Requirements - This criterion measures the vendor’s knowledge of the Oracle’s CC&B application, including hardware and software requirements, experience in a similar project with CC&B environment and data conversion.

#### **C. Implementation Proposal and Vendors Ability to Execute (25 Points)**

This section evaluates the vendor’s response to the RFP, including the procedures, methods and team that will be used to meet the required specifications presented in Section 2. The DOW will consider all approaches to meeting the needs and requirements expressed in this RFP. The management and organization of the project team is also important to the project, as the ability of the selected vendor to support a project for an organization the size of the DOW. The DOW consists of seven (7) divisions whose functions and business operations and processes rely on the CC&B customer data base. Specifically, the evaluation will center on the experience of the vendor and implementation team members, as well as the demonstrated ability of the team to support the DOW both during and after implementation.

#### **D. Cost Proposal (25 Points)**

This section evaluates the cost proposals.

Questions and Clarifications – The DOW will also submit additional questions to the priority listed Offerors a minimum of two (2) weeks prior to the Functional Validation meeting to be answered during the onsite meeting and Proof-of-Concept. These questions will be derived from the review of the RFP and specifically around the criteria outlined in sections A-D above.

## SECTION FIVE

### CONTRACTOR SELECTION AND CONTRACT AWARD

#### 5.1 EVALUATION OF PROPOSALS

An evaluation committee of at least three (3) qualified DOW employees selected by the Waterworks Controller, shall evaluate proposals. The evaluation will be based solely on the evaluation criteria set out in Section Four of this RFP.

#### 5.2 DISCUSSION WITH PRIORITY LISTED OFFERORS

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

Prior to holding any discussion, a priority list shall be generated consisting of offers determined to be acceptable or potentially acceptable, in accordance with HAR 3-122-53. However, proposals may be accepted without such discussions.

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

#### 5.3 AWARD OF CONTRACT

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

#### 5.4 RESPONSIBILITY OF OFFERORS

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

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

The DOW will verify compliance on Hawai'i Compliance Express ("HCE").

**Hawai'i Compliance Express.** The HCE is an electronic system that allows vendors/contractors/service providers doing business with the State to quickly and easily demonstrate compliance with applicable laws. It is an online system that replaces the necessity of obtaining paper compliance certificates from the Department of Taxation, Federal Internal Revenue Service; Department of Labor and Industrial Relations, and Department of Commerce and Consumer Affairs.

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

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

## **5.5 PROPOSAL AS PART OF THE CONTRACT**

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

## **5.6 PUBLIC EXAMINATION OF PROPOSALS**

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

If a person is denied access to a State procurement record, the person may appeal the denial to the State of Hawai`I, Office of Information Practices (“OIP”) in accordance with HRS §92F-42(12). OIP may be reached at: Tel: 808-586-1400; Fax: 808-586-1412; E-mail: [qip@hawaii.gov](mailto:qip@hawaii.gov). Please refer to <http://qip.hawaii.gov/> for more information.

## **5.7 DEBRIEFING**

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

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

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

## **5.8 PROTEST PROCEDURES**

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

Marites Yano, Attn: Christine Erorita, 4398 Pua Loke Street, Līhu‘e, HI 96766

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

The notice of award, if any, resulting from this solicitation shall be posted on the DOW website: <http://www.kauaiwater.org>.

## 5.9 APPROVALS

Any agreement arising out of this offer is be subject to the approval of the Office of the County Attorney, as to form and legality, and to all further approvals, as required by statute, regulation, rule, order, or other directive.

## 5.10 CONTRACT EXECUTION

Successful Offeror receiving the award shall enter into a formal written contract in the form as in the General Terms and Conditions.

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

If the Option Term is mutually agreed upon, the Contractor shall be required to execute an amendment to the contract for the additional extension period. Any work performed pursuant to the Option Term is subject to the same written notice to proceed requirements as stated above.

## 5.11 INSURANCE

Contractor shall procure and maintain, on primary basis and at its sole expense, at all times during the life of the Contract insurance coverages, limits, including endorsements as described in Exhibit A, incorporated herein, against claims for injuries to person or damages to property which may arise from or in connection with the performance of the work by the Contractor or the Contractor's agents, representatives, employees, or subcontractors. The requirements contained herein, as well as the County's review or acceptance of insurance maintained by the Contractor is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by the Contractor. To the extent applicable, the amounts and types of insurance will conform to the minimum terms, conditions, and coverage(s) of Insurance Service Office (ISO) policies, forms, and endorsements.

## 5.12 REQUIREMENTS FOR PERFORMANCE BONDS (If a performance bond will be required, the OF-1 shall reflect the submittal of the bond and bond forms shall be attached to the solicitation.)

Not Applicable.

## 5.13 CONTRACT INVALIDATION

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

## 5.14 STANDARD CONTRACT

The DOW will proceed to negotiate price with the selected Offeror and negotiate a contract after selection. Should the DOW and the selected Proposer fail to come to terms, the DOW reserves all

its rights to terminate negotiations and proceed to commence negotiations with the next most qualified Offeror.

**5.15 EXPENSES OF PREPARING RESPONSES TO THIS RFP**

The DOW accepts no responsibility for any expenses incurred by the Offeror to respond to this RFP. Such expenses are to be borne exclusively by the Offeror.

**5.16 LETTER OF INTENT**

A Letter of Intent to submit an RFP must be submitted to the DOW no later than the date referenced in *RFP Schedule and Significant Dates* (form on Page 27).

**5.17 SUBMITTAL INSTRUCTIONS**

One (1) electronic copy (in Adobe PDF) and one (1) Original Hard Copy of the Implementation Plan and Cost Proposals must be submitted to the DOW Admin. Office **no later than 2:00 pm (HST) on: Thursday, July 26, 2018.**

An email will be distributed to Offerors who submit a Letter of Intent on where to download their Submittals prior to the Submittal Deadline.

Proposals must be clearly identified with the Offeror's name and the RFP number and title. **Late proposals will not be considered.**

**5.18 QUESTIONS**

All questions regarding this RFP should be addressed in writing to: [cerorita@kauaiwater.org](mailto:cerorita@kauaiwater.org).

All questions are due in writing by 12:00 p.m. (HST) on July 6, 2018, to allow sufficient time for distribution to all interested parties.

**5.19 ACKNOWLEDGEMENT OF ADDENDA**

Questions regarding this RFP that are submitted to the DOW via email by the deadline will be answered and distributed to all interested parties as an Addendum. Addenda may also be issued in response to changes in the RFP. Addenda must be acknowledged in a cover letter with the Implementation Proposal. Failure to properly acknowledge any Addendum may result in a declaration of non-responsiveness by the DOW.

## **SECTION SIX**

### **SPECIAL PROVISIONS**

#### **6.1 OFFER GUARANTY**

A proposal security deposit is NOT required for this RFP.

#### **6.2 VALIDATION, TESTING AND ACCEPTANCE**

Validation and Testing must be performed by the Consultants before it is delivered to DOW for testing by the DOW project team. Validation and Testing will be conducted for all standard functionality provided in the core software product and any modules purchased by the DOW, as well as for any functions that are configured and/or customized for the DOW. The selected vendor will be required to deliver business activity scripts covering these functions and tailored to the DOW's configuration. Testing will also be performed by the DOW project team. The system will not go "live" until the DOW is satisfied that all issues identified as part of the testing process are resolved.

#### **6.3 INTELLECTUAL PROPERTY RIGHTS**

The DOW reserves the right to unlimited, irrevocable, worldwide, perpetual, royalty-free, non-exclusive licenses to use, modify, reproduce, perform, release, display, create derivative works from, and disclose the work product, and to transfer the intellectual property to third parties for County purposes.

#### **6.4 WARRANTIES AND DISCLAIMER OF IMPLIED WARRANTIES**

Warranty shall start from the successful implementation of the software and continue until identified defects are cured.

The successful implementation of the service means that the CC&B hosted is functioning properly as it should consistent with generally accepted industry standards and shall be in substantial compliance with the written Support Documentation provided to the DOW.

#### **6.5 PREFERENCES**

##### **a. HAWAI'I PRODUCTS PREFERENCE**

In accordance with HRS §103D-1002, the Hawai'i products preference is applicable to this solicitation. Hawai'i Products [are/may be] available for those items noted on the offer form. The Hawai'i products list is available on the SPO webpage at <http://hawaii.gov/spo> . Offeror submitting a Hawai'i Product (HP) shall identify the HP on the solicitation offer page(s). Any person desiring a Hawai'i product preference shall have the product(s) certified and qualified if not currently on the Hawai'i products list, prior to the deadline for receipt of offer(s) specified in the procurement notice and solicitation. The responsibility for certification and qualification shall rest upon the person requesting the preference.



Persons desiring to qualify their product(s) not currently on the Hawai'i product list shall complete form SPO-038, *Certification for Hawaii Product Preference* and submit to the Procurement Officer issuing the solicitation (IFB or RFP), and provide all additional information required by the Procurement Officer. For each product, one form shall be completed and submitted (i.e. 3 products should have 3 separate forms completed). Form SPO-038 is available on the SPO webpage at <http://hawaii.gov/spo> under the 'Toolbox' menu; click on 'SPO Forms.'

When a solicitation contains both HP and non-HP, then for the purpose of selecting the lowest bid or purchase price only, the price offered for a HP item shall be decreased by subtracting 10% for the class I or 15% for the class II HP items offered, respectively. The lowest total offer, taking the preference into consideration, shall be awarded the contract unless the offer provides for additional award criteria. The contract amount of any contract awarded, however, shall be the amount of the price offered, exclusive of the preferences.

Change in Availability of Hawai'i product. In the event of any change that materially alters the Offeror's ability to supply Hawai'i products, the Offeror shall notify the procurement officer in writing no later than five (5) working days from when the Offeror knows of the change and the parties shall enter into discussions for the purposes of revising the contract or terminating the contract for convenience.

**b. SOFTWARE DEVELOPMENT BUSINESSES PREFERENCE**

Subchapter 5, Chapter 3-124, HAR, provides that:

The preference shall apply to all bids or offers issued by a purchasing agency when so stated in the solicitation.

Bids issued by a governmental agency pursuant to Section 103D-301, HRS, shall contain a notice stating that a price preference will be given to Hawai'i software development businesses. This price preference will be ten percent (10%) of the bid price, and will be used for bid evaluation.

Bidders requesting a preference shall submit a completed certification form, as required by Section 3-124-33, with each bid. Previous certifications shall not apply unless allowed by the bid.

Any bidder who fails to indicate that it is a Hawai'i software development business will be presumed to be a non-Hawai'i software development business and the bidder's proposal will be increased by ten percent (10%) for purposes of evaluation.

Where a bid or purchase contains both Hawai'i software development businesses and non-Hawai'i software development businesses, than for the purpose of determining the lowest evaluated bid, the original bid price for the non-Hawai'i software development businesses shall be increased by ten percent (10%).

The responsible bidder submitting the lowest evaluated bid(s), taking into consideration all applicable preferences shall be awarded the contract, provided the product being offered meets the minimum bid specifications.

The contract amount of any contract awarded shall be the original bid price offered, exclusive of any preferences.

**6.6 CERTIFICATION OF OFFEROR CONCERNING WAGES, HOURS AND WORKING CONDITIONS OF EMPLOYEES SUPPLYING SERVICES *(include as applicable)***

All Offerors for service contracts shall comply with section 103-55, HRS, which provides as follows:

Wages, hours, and working conditions of employees of CONTRACTOR supplying services: Before any prospective Offeror is entitled to submit any offer for the performance of any contract to supply services in excess of \$25,000 to any governmental agency, Offeror shall certify that the services to be performed will be performed under the following conditions:

Wages: The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work.

Compliance with labor laws: All applicable laws of the Federal and State governments relating to workers compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

No contract to perform services for any governmental contracting agency in excess of \$25,000 shall be granted unless all the conditions of this section are met. Failure to comply with the conditions of this section during the period of the contract to perform services shall result in cancellation of the contract.

It shall be the duty of the governmental contracting agency awarding the contract to perform services in excess of \$25,000 to enforce this section.

This section shall apply to all contracts to perform services in excess of \$25,000, including contracts to supply ambulance service and janitorial service.

This section shall not apply to:

- (1) Managerial, supervisory, or clerical personnel.
- (2) Contracts for supplies, materials, or printing.
- (3) Contracts for utility services.
- (4) Contracts to perform personal services under paragraphs (2), (3), (12), and (15) of section 76-16, paragraphs (7), (8), and (9) of section 46-33, and paragraphs (7), (8), and (12) of section 76-77, Hawai‘i Revised Statutes, (HRS).
- (5) Contracts for professional services.
- (6) Contracts to operate refreshment concessions in public parks, or to provide food services to educational institutions.
- (7) Contracts with nonprofit institutions.

# NOTICE OF INTENT TO PROPOSE

## NOTICE OF INTENT TO PROPOSE

\_\_\_\_\_  
DATE

Manager and Chief Engineer  
Department of Water  
County of Kaua'i  
4398 Pua Loke Street  
Līhu'e, HI 96766

Dear Sir:

In accordance with the Provisions of Section 103D-310, Hawai'i Revised Statutes, you are hereby notified that it is the intent of the undersigned to offer an RFP for **RFP #IT-2019-01 CC&B HOSTING & SUPPORT SERVICES, LĪHU'E, KAUA'I, HAWAI'I**, for which proposals will be due on **Thursday, July 26, 2018** as required.

I am informed that this Notice of Intent to Propose must be received by the Manager no later than 4:30 p.m. on **Friday, July 20, 2018.**

VERY TRULY YOURS,

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINT OR TYPE NAME & TITLE OF SIGNER

\_\_\_\_\_  
NAME OF FIRM

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
CITY, STATE & ZIP CODE

\_\_\_\_\_  
TELEPHONE NO.

Hawai'i State Specialty License  
Type and Classification:

\_\_\_\_\_  
Contractors License No.:

Hawai'i State Business  
License No.:

# OF-1

RFP #IT-2019-01  
CC&B Hosting & Support Services  
Department of Water, County of Kaua'i

Department of Water  
Attn: Marites Yano  
4398 Pua Loke Street  
Līhu'e, HI 96766

Dear Procurement Officer:

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Conditions, by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof. The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawai'i Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

Offeror is:

Sole Proprietor     Partnership     \*Corporation     Joint Venture  
 Other \_\_\_\_\_

\*State of incorporation: \_\_\_\_\_

Hawai'i General Excise Tax License I.D. No. \_\_\_\_\_

Federal Tax I.D. No. \_\_\_\_\_

Payment address (other than street address below): \_\_\_\_\_  
City, State, Zip Code: \_\_\_\_\_

Business address (street address): \_\_\_\_\_  
City, State, Zip Code: \_\_\_\_\_

Respectfully submitted:

Date: \_\_\_\_\_ (x) \_\_\_\_\_  
Authorized (Original) Signature

Telephone No.: \_\_\_\_\_  
\_\_\_\_\_  
Name and Title (Please Type or Print)

Fax No.: \_\_\_\_\_  
\_\_\_\_\_  
\*\*  
Exact Legal Name of Company (Offeror)

E-mail Address: \_\_\_\_\_  
\_\_\_\_\_

\*\*If Offeror is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the awarded contract will be executed:

**EXHIBIT A**  
**INSURANCE REQUIREMENTS**  
*BOARD OF WATER SUPPLY, COUNTY OF KAUA'I*

Contractor shall procure and maintain, on primary basis and at its sole expense, at all times during the life of the contract insurance coverages, limits, including endorsements described herein against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work by the Contractor or the Contractor's agents, representatives, employees or subcontractors. The requirements contained herein, as well as the Department of Water, County of Kaua'i's (hereinafter "DOW") review or acceptance of insurance maintained by the Contractor is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by the Contractor.

To the extent applicable, the amounts and types of insurance will conform to the minimum terms, conditions and coverage(s) of Insurance Service Office (ISO) policies, forms, and endorsements.

**A. General Conditions**

**Waiver of Subrogation.** Contractor shall agree by entering into a contract with the Board of Water Supply, County of Kaua'i (hereinafter "Board") to provide a Waiver of Subrogation for the Commercial General Liability, Automobile Liability, and Workers Compensation policies. When required by the insurer, or should a policy condition not permit Contractor to enter into a pre-loss agreement to waive subrogation without an endorsement, the Contractor shall agree to notify the insurer and request the policy be endorsed with a Waiver of Subrogation in favor of the Board. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition specifically prohibiting such an endorsement, or voids coverage should Contractor enter into such an agreement on a pre-loss basis.

**Additional Insured.** Contractor shall agree to endorse the **BOARD OF WATER SUPPLY, COUNTY OF KAUA'I as an Additional Insured** with a CG026 Additional Insured – Designated Person or Organization endorsement, a copy of the applicable policy language, or similar endorsement to all required insurance policy(ies), except for Workers Compensation and Professional Liability.

**Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions must be declared to and approved by the DOW. At the option of the DOW, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Board; or the Contractor shall provide a financial guarantee (audited financial statement) satisfactory to the Department guaranteeing payment of losses and related investigations, claim administration and defense expenses.

When a self-insured retention (SIR) or deductible exceeds \$50,000, the Department reserves the right, but not the obligation, to review and request a copy of the Contractor's most recent annual report or audited financial statement.

**Contractor's Responsibility.** The Contractor is responsible for paying any portion of any loss not covered because of the operation of any deductible, co-insurance clause or self-insured retention applicable to the insurance required herein. If the Board is damaged by the failure of the Contractor to maintain insurance as required in this paragraph, then the Contractor shall bear all reasonable costs properly attributable to that failure.

**Primary and Non-contributory.** All policies required of the Contractor will be endorsed as primary and any insurance or self-insurance program maintained by the Board shall be non-contributory.

**Certificate of Insurance.** Concurrent with the execution of the contract, Contractor shall provide the Department a certificate of insurance completed by a duly authorized representative of their insurer certifying that the liability coverage(s) is written on an occurrence form. Immediately upon becoming aware that its insurance will be cancelled, non-renewed, or materially changed, Contractor will notify Department by providing written notice.

The Certificate Holder address shall read:

Board of Water Supply, County of Kaua'i  
4398 Pua Loke Street, Līhu'e, HI 96766  
Attention: Marites Yano  
Contract No.: [Click here to enter text.](#)  
Project Title: #IT-2019-01, CC&B Hosting & Support Services

Concurrent with the execution the contract the Contractor shall furnish the Department with original certificates and endorsements effecting required coverage(s). The Department reserves the right to require complete copies of all required insurance policies, including the policy declarations and endorsements affecting the coverage at any time.

Failure to secure and maintain the required insurance shall be considered as a material breach of the contract. Should the Board be forced to expend funds that would have been covered under the specified insurance, Contractor shall reimburse the Board for such funds. In the event the Board determines, in its sole and absolute discretion, that it is necessary to purchase the coverages herein required of the Contractor, and which the Contractor has failed to secure, the Contractor shall reimburse the Board for the expenditure of such funds.

**Right to Revise or Reject.** Department reserves the right, but not the obligation, to review and revise any insurance requirement, not limited to limits, coverages and endorsements based on insurance market conditions affecting the availability or affordability of coverage; or changes in the scope of work or specifications affecting the applicability of coverage. Additionally, the Department reserves the right, but not the obligation, to review and reject any insurance policies failing to meet the criteria stated

herein or any insurer providing coverage due to its poor financial condition or failure to operate legally.

**B. Minimum Insurance Coverage Requirements**

Unless otherwise approved by the Manager and Chief Engineer, the policy or policies of insurance maintained by the Contractor shall provide the following minimum limit(s) and coverage(s) as specified herein and be placed with an insurance carrier authorized to do business in the State of Hawai‘i and rated A-VII by A.M. Best:

**Commercial General Liability.** The Contractor shall procure and maintain Commercial General Liability, with dedicated required limits, as set forth herein, written on occurrence form providing:

Designated premises basis                      OR                       Per Project basis

The coverages shall include the following:

- Premises Operations
- Independent Contractors
- Products and Completed Operations
- Broad Form Property Damage including completed operations
- Blanket Contractual Liability
- Personal Injury
- Employees named as Additional Insured
- Severability of Interest
- Explosion, Collapse and Underground Property Damage

The minimum limits of liability may be satisfied by providing either:

<p><b>Bodily Injury and Property Damage Combined Single Limit:</b></p> <ul style="list-style-type: none"> <li>• \$2,000,000 per occurrence</li> <li>• \$2,000,000 annual aggregate</li> </ul>	<p><b>OR</b></p>	<p><b>Personal Injury:</b></p> <ul style="list-style-type: none"> <li>• \$1,000,000 per occurrence</li> <li>• \$2,000,000 annual aggregate</li> </ul> <p style="text-align: center;"><b>AND</b></p> <p><b>Products and Completed Operations:</b></p> <ul style="list-style-type: none"> <li>• \$1,000,000 per occurrence</li> <li>• \$2,000,000 annual aggregate</li> </ul>
---	------------------	---

Contractor must provide evidence the Board is an Additional Insured for Products/Completed Operations coverage for both ongoing operations and after substantial completion of the work. This coverage may be provided by the ISO form CG

2010 (11 85) or an equivalent policy form. Coverage provided by a non-equivalent CGL form shall be specifically endorsed providing both the course of construction and products/completed operations. ISO CG 2010 (04 13) and ISO form CG 2037 (04 13) or an equivalent form is required from the Contractor. The Contractor and subcontractor(s), if any, shall provide evidence to the Department on an annual basis the products/completed operation coverage is in effect for two (2) years after substantial completion of the project.

**Business Automobile Liability.** The Contractor shall procure and maintain Business Automobile Liability written on occurrence form for all Owned, Non-owned, and Hired automobiles. If the Contractor does not own automobiles, Contractor shall agree to maintain coverage for Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Automobile Liability. Coverage shall be for automobile contractual liability, uninsured and underinsured motorist coverage, basic no-fault, and personal injury protection, as required by Hawaii law with the following limits:

**Bodily Injury**

\$1,000,000 per person  
\$1,000,000 per occurrence

**Property Damage**

\$1,000,000 per accident

**Workers' Compensation and Employer's Liability.** The Contractor shall procure and maintain at all times during the term of the contract the following insurance liability coverage: Workers' Compensation, Temporary Disability Insurance (TDI), and similar insurance that is required by the State of Hawaii or federal laws. Self-insurance is permitted subject to submission of a copy of the appropriate governmental authorization and qualification by the Contractor and subcontractor(s).

The minimum limits of liability to be maintained are as follows:

**Coverage A: State of Hawaii Workers' Compensation Law:**

Statutory Limits

**Coverage B: Employer's Liability:**

Bodily Injury from each accident	\$1,000,000
Bodily Injury from disease	\$1,000,000
Bodily Injury from disease aggregate	\$1,000,000

**Builder's Risk.** The Contractor shall procure and maintain an Inland Marine



Builder's Risk policy providing coverage to protect the interests of the Board, Contractor, sub-contractors, architects, and engineers, including property in transit and property on or off-premises, which shall become part of the building, or Project. Coverage shall be written on an **All Risk, Replacement Cost, and Completed Value Form** basis in an amount at least equal to 100% of the projected completed value of the Project as well as subsequent modifications of that sum, unless an agreed amount is otherwise stated between the Department and the Contractor. The policy shall insure all work, labor, and materials furnished by the Contractor and the Contractor's subcontractors against loss occasioned by fire, lightning, windstorm, theft, vandalism, malicious mischief, flood, earthquake, and collapse.

The amount of coverage for the perils of flood and earthquake may be subject to a sub-limit. The sub-limit shall provide coverage of at least 25% of the full replacement cost.

The policy shall also include coverage for debris removal and reasonable compensation for architect's and engineer's services and expenses required as a result of an insured loss. The Contractor shall endorse the policy with a manuscript endorsement eliminating the automatic termination of coverage in the event the building is occupied in whole or in part, or put to its intended use, or partially accepted by the Department. The manuscript endorsement shall amend the automatic termination clause to only terminate coverage if the policy expires, is cancelled, the Board's interest in the building ceases, or the building is accepted or insured by the Board.

The Contractor shall name the Board of Water Supply, County of Kaua'i as a loss payee on the Builder's Risk policy.

**Installation Floater.** The Contractor shall procure and maintain an Installation Floater policy providing coverage to protect the interests of the Board, Contractor, sub-contractor(s), architects, and engineers, including property in transit and property on or off-premises, which shall become part of the project.

Coverage shall be written on an All Risk, Replacement Cost, and Completed Value Form basis in an amount at least equal to 100% of the projected completed value of the Project as well as subsequent modifications of that sum, unless an agreed amount is otherwise stated between the Department and the Contractor. The policy shall insure all work, labor, and materials furnished by the Contractor and the Contractor's subcontractors against loss occasioned by fire, lightning, windstorm, theft, vandalism, malicious mischief, flood, earthquake, and collapse.

The amount of coverage for the perils of flood and earthquake may be subject to a sub-limit. The sub-limit shall provide coverage of at least 25% of the full replacement cost.

The policy shall also include coverage for debris removal and reasonable compensation for architect's and engineer's services and expenses required as a result of an insured loss. The Contractor shall endorse the policy with a manuscript endorsement eliminating the automatic termination of coverage in the event the building is occupied in whole or in

part, or put to its intended use, or partially accepted by the Department. The manuscript endorsement shall amend the automatic termination clause to only terminate coverage if the policy expires, is cancelled, the Board's interest in the building ceases, or the building is accepted or insured by the Board.

The Contractor shall name the Board of Water Supply, County of Kauai as a loss payee on the Installation Floater policy.

**Professional Liability (Errors and Omissions).** The Contractor and its subcontractors shall procure and maintain Professional Liability Insurance (Errors and Omissions Insurance) that covers all such activities under the contract. Such insurance shall have these minimum limits and coverage(s):

\$1,000,000 per occurrence  
\$2,000,000 annual aggregate

For policies written on a "Claims-Made" basis, Contractor warrants the retroactive date equals or precedes the effective date of the contract. In the event the policy is canceled, non-renewed, switched to an Occurrence Form, retroactive date advanced; or any other event triggering the right to purchase a Supplemental Extended Reporting Period (SERP) during the life of the contract, Contractor shall agree to purchase Supplement Extended Reporting Period (SERP) with a minimum reporting period not less than two (2) years. The requirement to purchase a SERP shall not relieve Contractor of the obligation to provide replacement coverage.

**Pollution Legal Liability.** The Contractor shall procure and maintain Pollution Liability or similar Environmental Impairment Liability at a minimum limit not less than:

\$1,000,000 per occurrence  
\$2,000,000 annual aggregate

The policy shall provide coverage for damages against, but not limited to, third-party liability, clean-up, corrective action including assessment, remediation and defense costs.

**Contractor's Pollution Liability.** Contractor shall procure and maintain pollution liability insurance when the Scope of Work involves removal, abatement, encapsulation or other treatment, disposal or remediation of asbestos or other hazardous materials or an exposure to pollutants or impairment of the environment. The policy shall provide coverage for third party liability, clean-up, and corrective action including assessment remediation and defense costs. The policy may be written on either an occurrence form or claims made. The minimum limits of liability shall be:

\$1,000,000 per occurrence  
\$2,000,000 annual aggregate

**Crime Insurance or Commercial Fidelity Bond.** Contractor shall procure and

maintain Commercial Crime Insurance or Fidelity Bond providing Employee Dishonesty on a blanket basis covering all of the Contractor's employees with a minimum amount of insurance at least equal to the amount of the contract. The policy shall be endorsed to cover "Third-Party Liability" including a third-party beneficiary clause in favor of the Board. The policy shall include a minimum twelve (12) month "Discovery Period" when written on a Loss Sustained basis.

**Property.** The Tenant or Lessee, shall agree to maintain property insurance including flood and windstorm written on a replacement cost basis in an amount not less than 100% of the replacement cost of the building(s) and contents, including betterments and improvements made by the Tenant or Lessee, located on the premises. Contractor shall agree to be fully responsible for any deductible or self-insured retention, and to provide this coverage on primary basis.

**Umbrella or Excess Liability.** Contractor may satisfy the minimum liability limits required above under an Umbrella or Excess Liability policy with \$1,000,000 per occurrence and \$2,000,000 aggregate. If Contractor is using its Umbrella or Excess Liability Insurance policy to satisfy the minimum requirements, Contractor shall agree to endorse the Board of Water Supply, County of Kaua'i as "Additional Insured" on the Umbrella or Excess Liability policy, or shall confirm in writing that its Umbrella or Excess Liability policy "follows form."