

**RESPONSES TO QUESTIONS REGARDING RFQ NO. 2018-03  
REQUEST FOR STATEMENTS OF QUALIFICATIONS TO PROVIDE  
PROFESSIONAL SERVICES FOR THE  
AUDIT OF THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION**

1. Has HART or the state auditor ever used Construction Audit services for previous HART projects? If so, when was the last construction audit? Who performed the construction audits previously? Can you provide us with a copy of the audit report?

Answer: The Office of the Hawai'i State Auditor has not previously audited the Honolulu Authority for Rapid Transportation (HART).

Reports, correspondence and general information regarding audits may be accessed via the HART website at: <http://hartdocs.honolulu.gov/docushare/dsweb/View/Collection-1165>

2. Does the state auditor have a certain dollar threshold that initiates when a construction audit is solicited or bid proposals requested?

Answer: No.

3. What is the budget for this project?

Answer: To be determined during contract negotiation phase.

4. How many hours of audit assistance do you anticipate you will need for this project?

Answer: To be determined during contract negotiation phase.

5. What type of travel requirements are expected for this type of construction audit services for the success bidder? If travel is necessary, what is the travel policy and expense reimbursement policy? (Related: see question 11).

Answer: To be determined during contract negotiation phase.

6. How many payment applications do you anticipate being reviewed for phase 1?

Answer: To be determined during contract negotiation phase.

7. Are the Lead Contractor and major subcontractors contracted using a lump sum or time and material (GMP) arrangement? Please distinguish the type of contracts (LS/GMP) for subcontractors and the lead contractor.

Answer: The Hawai‘i State Auditor is issuing this RFQ No. 2018-03 to solicit Statements of Qualifications from prospective offerors from which the Hawai‘i State Auditor may choose to select prospective contractors to provide construction contract compliance cost verification review services and related professional services as needed to fulfill the requirements outlined in Part IV, Section 11; and in Part V, Section 12 of Act 1 of the 2017 First Special Legislative Session of the Hawai‘i State Legislature (Act 1).

Act 1 requires the Hawai‘i State Auditor to conduct an audit of the Honolulu Authority for Rapid Transportation. The Hawai‘i State Auditor is not a party to the construction contracts or to the consultant contracts. It is the Hawai‘i State Auditor’s understanding that certain of the contracts are lump sum and others are time and materials. Information regarding awarded HART contracts may be accessed via the HART website at:

<http://hartdocs.honolulu.gov/docushare/dsweb/View/Collection-10>; however, the Hawai‘i State Auditor is not representing the accuracy or completeness of any of the contracts posted on the Honolulu Authority for Rapid Transportation website.

The Hawai‘i State Auditor shall report the auditor’s findings and recommendations to the Hawai‘i State Legislature, the Hawai‘i State Director of Finance, and the Board of Directors of HART.

8. Does your standard contract with the contractor include an audit clause?

Answer: There is no contract between the Office of the Hawai‘i State Auditor and HART.

9. Many of aspects of our construction projects can be completed remotely with the use of technology. Will you require that we maintain a consistent presence on site? Will you allow us to complete the majority of the audit procedures remotely?

Answer: To be determined during contract negotiation phase.

10. Will the construction audit be collaboratively shared with other audit firms?

Answer: One or more consultants may be engaged to assist the Office of the Hawai‘i State Auditor to fulfill the requirements of Act 1.

11. Is the winning audit firm expected to maintain an office in Hawaii?

Answer: No.

12. Name of the general contractor or construction manager?

Answer: Information regarding awarded HART contracts may be accessed via the HART website at: <http://hartdocs.honolulu.gov/docushare/dsweb/View/Collection-10>

13. Has an outside firm been engaged to perform the project manager's role? If so, which firm?

Answer: See answer to Question 12 above.

14. Is this audit being conducted in conjunction with HART or independent of HART?

Answer: Independent of HART. See answer to Question 7 above.

15. Has the project to be audited actually begun?

Answer: Yes.

16. Does HART/state auditor want a contract(s) review?

Answer: To be determined during contract negotiation phase. HART is not involved in this solicitation.

17. Define the audit, i.e., are you expecting a prospective monthly payment application review and an accompanying monthly report or issues log? What, specifically is the deliverable and how often?

Answer: To be determined during contract negotiation phase.

18. Is the anticipated audit for prospective construction or for construction already performed and invoiced? Does the anticipated audit include a unique project or is it segment of an ongoing project?

Answer: To be determined during contract negotiation phase.

19. What is period of time (calendar month, year) of the project anticipated to be covered by the audit?

Answer: To be determined during contract negotiation phase.

20. Is this audit expected to be a forensic audit or a true construction audit? Will historical data be reviewed as part of this audit?

Answer:

- a. See answer to Question 7 above.
- b. To be determined during contract negotiation phase.

21. Our limited research of the HART project has indicated a significant amount of adverse publicity involving lawsuits, litigation and significant cost overruns. How will the requested audit be involved with this, if at all?

Answer: See answer to Question 7 above.

22. Is it probable, either expectedly or unintentionally, that the awarded audit firm would be involved in existing or future lawsuits or litigation?

Answer: See answer to Question 7 above. However, the Hawai'i State Auditor does not anticipate the awarded audit firm being involved in any litigation or providing litigation support.

23. Will the awarded audit firm be completely indemnified and protected from potential litigation resulting from all aspects of the project, e.g., cost overruns, lawsuits, undiscovered fraud, previous malpractice, mismanagement, negligence or other anomaly identified or unidentified, known or unknown, at this time?

Answer: No. The awarded audit firm will be engaged by the Hawai'i State Auditor as part of its work mandated by the Hawai'i State Legislature. The awarded audit firm is not being engaged by the Honolulu Authority for Rapid Transportation.

24. How many Change Orders are currently executed? How many are expected? What are the current and expected values of the project Change Orders? Are these Change Orders Lump Sum or Time and Material? If mixed, what amount that is Time and Material?

Answer: To be discussed during contract negotiation phase.

25. Are the relationships between the state and contractor cooperative? Do you expect any problems or delays in obtaining requested documentation?

Answer: See answer to Question 7 above.

26. Do you expect any coordination issues with adding an outside audit firm to the team? Will the team be receptive to any additional documentation, meetings and report responses that will be required by the audit process?

Answer: See answer to Question 7 above.

27. Would it be possible to either have the proposal due date extended or be allowed to submit our proposal electronically?

Answer: No. Responses and all related materials must be clearly marked “**RFQ No. 18-03 - Professional Services for the Audit of the Honolulu Authority for Rapid Transportation**” and must be received by **12:00 p.m. (Hawai‘i Standard Time), Wednesday, August 15, 2018**. Responses must be delivered to:

*Office of the Auditor  
465 South King Street, Room 500  
Honolulu, Hawai‘i 96813*

Postmarks will not be considered in judging timeliness of submissions. **Responses submitted by facsimile or email will not be accepted. Late submissions will not be considered**, including those submitted late due to mail or delivery service failure.

28. Would the Government please clarify how it will use the results of the professional services procured under this contract in performing the audit required by the Act?

Answer: The results may be included in an audit report that the Hawai‘i State Auditor issues to the Hawai‘i State Legislature. Any report issued by the Hawai‘i State Auditor is a public record.

29. Would the Government please confirm that the contract does not require out-of-state CPA firms or their personnel to obtain Hawai‘i licenses, permits, or business registrations, provided that the firms and their personnel are properly licensed and registered in their home state?

Answer: Out-of-state CPA firms and/or their personnel will not be required to obtain Hawai‘i licenses, permits, or business registrations.

30. Would the Government please clarify the types of contracts that it will award through this RFQ (e.g., time-and-materials or firm fixed price)?

Answer: To be determined during contract negotiation phase.

31. Attachment 1, Part 1 asks for the offeror’s office size. Would the Government please provide the size standards for large, medium, and small firms?

Answer: Small = 20 or less employees; Medium = 21 to 50 employees; Large = over 50 employees.

32. Attachment 1, Part 2 contains numerous questions related to Hawai'i licensure. Would the Government please clarify whether out-of-state offerors should mark "No" for these questions, or whether they should mark "Yes" with an explanation that they are properly licensed and in good standing with their home state?

Answer: Out-of-state offerors should mark "No" and may indicate relevant licensure information in Part III (Experience and Qualifications of Firm), Part IV (Past Performance on Projects), and/or Part VII (Other information).

33. Would the Government please clarify whether offerors should provide any labor rates or other pricing related to labor, travel, or other direct costs at this time?

Answer: No. Labor rates or other pricing related to labor, travel or other direct costs should not be provided at this time.

34. The solicitation instructions state that offerors must submit an original consolidated Certificate of Vendor Compliance as issued by the Hawai'i State Procurement Office via the Hawai'i Compliance Express system.

- a. Would the Government please confirm whether out-of-state vendors are also required to obtain a Certificate of Vendor Compliance?

Answer: Yes.

- b. The Hawai'i Compliance Express website notes that it may take two or more weeks to establish a vendor account in Hawai'i Compliance Express. Would the Government please allow offerors to provide the Certificate of Vendor Compliance as a post-award document, prior to beginning work on any resulting contracts?

Answer: An original consolidated Certificate of Vendor Compliance issued by the Hawai'i State Procurement Office must be submitted to the Office of the Hawai'i State Auditor required prior to the contract award date.