

INVITATION FOR BID
NO. J12004

TO PROVIDE STATEWIDE
SAMPLE COLLECTION, INITIAL
DRUG SCREENING,
& CONFIRMATION TESTING
THE JUDICIARY, STATE OF HAWAII

NOTE: If this solicitation document was downloaded through the internet, each interested person must register through email, providing contact information to the listed contact person in the Judiciary Contracts & Purchasing Office. Registration is essential for you to receive any addendums or other information for this solicitation. The Judiciary shall not be responsible for any missing addenda, clarifications, attachments or other information regarding this solicitation if an offer is submitted from an incomplete solicitation document.

March 2011

NOTICE TO INTERESTED PARTIES

This solicitation is provided to you for information purposes. If interested in responding to this solicitation, you may choose to submit your offer on the downloaded document **provided**. You must register your company by fax or e-mail for this specific solicitation. If you do not register your company, you will not receive addenda, if any, and your offer **may be** rejected and not considered for award.

Registration or Request for Copy of Solicitation

Submit FAX or E-MAIL to: FAX No.: (808) 538-5802
E-mail Address: kathie.g.kim@courts.state.hi.us

Provide the following information:

- Name of Company
- Telephone Number
- Solicitation Number
- Mailing Address
- FAX number
- Fedex (or equivalent) account number (document will be sent by U.S. Postal Service first class mail if this is not provided).
- Name of Contact Person
- E-mail Address

THE JUDICIARY, STATE OF HAWAII
INVITATION FOR BID
NO. J12004
Competitive sealed bids
TO PROVIDE STATEWIDE SAMPLE COLLECTION,
INITIAL DRUG SCREENING, & CONFIRMATION TESTING
THE JUDICIARY, STATE OF HAWAII

Bids will be received up to and opened at 2:00 p.m. (HST) on April 7, 2011 at

The Judiciary
Financial Services Division
Kauikeaouli Hale
1111 Alakea Street., 6th Floor
Honolulu, Hi 96813-2807

Offers received after the date and time specified above or at a location other than the location specified above will not be considered. All proposals must be made on forms obtainable at the aforesaid place or from our website (<http://www.courts.state.hi.us>) And must be accordance with the accompanying instructions. Questions relating to this solicitation may be directed to Duane Ikeda in the First Circuit Court. He may be contacted at telephone (808) 539-4408 or email at duane.f.iked@courts.state.hi.us

Janell Kim
Financial Services Administrator

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General Conditions
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Information on Taxes
Application for Tax Clearance
Certificate of Compliance

INVITATION FOR BID J12004
TO PROVIDE STATEWIDE SAMPLE COLLECTION
INITIAL DRUG SCREENING AND CONFIRMATION TESTING FOR
THE JUDICIARY, STATE OF HAWAII

Financial Services Administrator
The Judiciary State of Hawaii
Kauikeaouli Hale
1111 Alakea Stree, 6th Floor
Honolulu, Hawaii 96813

Dear Financial Services Administrator:

The following proposal is made to provide the service indicated in the following proposal schedule to the Judiciary, State of Hawaii, at the location(s) required in the specifications, all according to the true intent and meaning of the specifications hereinafter contained.

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Terms and Conditions; and that the Financial Services Administrator reserves the right to reject any or all bids and to waive any defects when in his opinion such rejection or waiver will be for the best interest of the Judiciary. 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, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

The undersigned hereby submits the following offer to PROVIDE STATEWIDE SAMPLE COLLECTION, INITIAL DRUG SCREENING AND CONFIRMATION TESTING FOR THE JUDICIARY, STATE OF HAWAII all in accordance with the true intent and meaning thereof in strict compliance with the Agreement, Specifications, Special Provisions, General Conditions and Procedural Requirements attached hereto and made a part hereof for the Total Amount of:

(\$ _____)

The undersigned represents: **(Check one only)**

A **Hawaii Business** incorporated or organized under the State of Hawaii; **OR**

A **Compliant Non-Hawaii business** not incorporated or organized under the laws of the State of Hawaii, is or shall be registered at the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division (DCCA-BREG) to do business in the State of Hawaii

State of incorporation _____

Offeror is:

Sole Proprietor Partnership Corporation Joint Venture.

Other _____

If Offeror is a “dba” or a “division” of a corporation, please furnish the exact legal name of the corporation under which the contract, if awarded, will be executed:

Federal I.D. No. _____

Hawaii General Excise Tax License I.D. No. _____

Payment address (other than street address below): _____

City, State, Zip Code _____

Business address (**Hawaii street address**): _____

City, State, Zip Code _____

Respectfully submitted,

Date: _____

(x) _____
Authorized Signature (Original)

Telephone No.: _____

e-mail Address: _____

Name and Title (Please Type or Print)

* _____
Exact Legal Name of Company (Offeror)

I. The following offer for the twenty four (24) month period effective July 1, 2011 through June 30, 2013, as specified herein, is hereby submitted:

Type of Action	Est # of Tests (A)	Year # 1 Test cost (B)	Year # 1 Bid Amount (C) (A x B= C)	Year # 2 Test cost (D)	Year # 2 Bid Amount (E) (A x D= E)	Total Bid Amount (C + E)= (F)
Collection Oahu	672					
Collection Maui	404					
Collection Hawaii	92					
Collection Kauai	To be determined					
Screening						
Panel I	438					
Panel II	730					
Confirmation	408					
Additional cost test (if any) for:						
Total Bid Amount						

NOTE: Bid amount shall include all applicable taxes and expenses (including all shipping and related transportation costs from sample pick up through delivery of hard copy results. TOTAL 24 month BID AMOUNT should agree with Bid amount shown on page 1 of the Bid Proposal. Be advised that all contracts are subject to the availability of funds.

II. Proposed Expert Witness Fees for Court Hearings

1	Actual Court Time (Per hour)	\$	/hour
2	Travel/Waiting Time (Per hour)	\$	/hour
3	Maximum Fee Per Day (per day)	\$	/day
4	Litigation packet	\$	
5	Rejected specimen fee (if applicable)	\$	

Offeror: _____
(Name of Company)

III. Contractor Information

FAILURE TO COMPLETE ANY OF THE FOLLOWING ITEMS MAY RESULT IN THE DISQUALIFICATION OF THE SUBMITTED PROPOSAL.

A. Laboratory & Contact Information

Laboratory Address	
Contact	Phone No.
email	Fax

B. Other proposed procedures in lieu of testimony in person:

C. Joint Contractors/Subcontractors

The Offeror certifies that the following is a complete list of all contractors and subcontractors who will be engaged by the Offeror on the project to perform the nature and scope of work indicated. The Offeror further understands that only those joint contractors and subcontractors listed shall be allowed to perform work on this project and that all other work necessary shall be performed by the Offeror with his own employees. If no joint contractor or subcontractor is listed, it shall be construed that all of the work shall be performed by the offeror with his own employees.

Provide the complete firm name, address and phone number of the joint or subcontractor.

Subcontractor Name	Address	Phone/Fax/email

Offeror: _____
(Name of Company)

D. References. Provide the names and addresses of companies other than the Judiciary or government agencies for which the undersigned has provided or is currently providing drug confirmation testing. Refer to the Qualification section, of the enclosed Special Provisions

Company Name &/or Contact Person	Address/Phone No./Fax/email

E. Copies of Accreditations and Licenses that qualify Proposer to conduct toxicology testing:

_____ Attached _____ Not attached

If copies are NOT attached, please explain why they have been omitted.

F. Insurance coverage will be provided by the following provider/policy number. Refer to Insurance requirements section of the Special Provisions.

	Insurance Provider	Policy No.
General Liability		
Automobile		
Worker's Compensation		
Prepaid Health Care		
Unemployment Insurance: State of Hawaii I.D. No.		

Offeror: _____
(Name of Company)

G. By submitting this bid, our company acknowledges that we meet all of the requirements in this bid proposal (Special Provisions and Specifications), Chapter 329B, HRS and the Department of Health Administrative Rules, Title 11, Chapter 113, Regarding Substance Abuse Testing.

_____ There are no exceptions

_____ The following is our list of deficiencies:

Offeror: _____
(Name of Company)

SECTION ONE SPECIFICATIONS

1.1 SCOPE

Work consists of providing STATEWIDE SAMPLE COLLECTION, INITIAL DRUG SCREENING AND CONFIRMATION TESTING the Judiciary, State of Hawaii. Contractor shall provide testing for the presence of each drug identified in the respective Panel which will be selected by The Judiciary.

Panel I:

- | | |
|---------------------------------------------|------------------|
| a. Amphetamines/ Methamphetamine (MDA/MDMA) | |
| b. Cocaine | d. Opiates |
| c. Cannabinoid | e. Phencyclidine |

Panel II:

- | | |
|---------------------------------------------|------------------|
| a. Amphetamines/ Methamphetamine (MDA/MDMA) | f. Methadone |
| b. Barbituates | g. Methaqualone |
| c. Benzodiazepines | h. Opiates |
| d. Cocaine | i. Phencyclidine |
| e. Cannabinoid | j. Propoxyphone |

1.2. SAMPLE COLLECTION

Sample collection shall be conducted on all persons referred to Contractor by the JUDICIARY Courts of the First Circuit (Oahu), Second Circuit (Maui), Third Circuit (Hawaii), and Fifth Circuit (Kauai).

Collections shall be conducted by Contractor's personnel or by a Sub-contractor approved by Judiciary (and listed on this INVITATION FOR BID).

Sample collection of urine specimens shall be responsibility of Contractor. Sample collections shall be conducted at Contractor's (or approved Sub-Contractor's) testing facility and by their personnel. Detailed procedures for collection of sample must be established by Contractor to ensure that sample is not tampered with at time of collection. Procedures shall be submitted in writing and approved by Officer-in-Charge or his designee.

The estimated number of sample collections, as specified in the INVITATION FOR BID, are per year. However, the Judiciary shall be charged according to actual number of samples collected per month at the unit bid Cost per Test specified in INVITATION FOR BID. Judiciary reserves the right to increase or decrease number of collections without change to the unit bid cost per test. Monthly billings shall be adjusted accordingly. Initial drug screenings shall be conducted on all collected samples.

1.3. INITIAL DRUG SCREENING

Initial drug screening shall be provided for all the JUDICIARY, First Circuit (Oahu), Second Circuit (Maui), Third Circuit (Hawaii), and Fifth Circuit (Kauai). Scientifically accepted and valid initial screening tests on all samples utilizing the EMIT system, or a similar screening test which is acceptable to Officer-in-Charge and approved in writing prior to bid opening. All testing shall be performed by a company licensed and accredited in the State of Hawaii to conduct toxicology testing and all tests shall be conducted by trained and properly qualified drug test operators.

The estimated number of sample collections and initial drug screenings, specified in INVITATION FOR BID, shall be required per year. Judiciary shall be charged according to actual number of tests administered per month at Bid Cost per Test specified in INVITATION FOR BID. Judiciary reserves the right to increase or decrease number of tests per month without change to bid cost per test. Monthly billings shall be adjusted accordingly.

Confirmation testing shall be conducted on all initial tests with positive results.

1.4. CONFIRMATION TESTING

Confirmation testing shall be provided for all circuits. Scientifically accepted and valid confirmation test results utilizing gas chromatography/mass spectrometry by a company licensed and accredited in the State of Hawaii to conduct toxicology testing.

The estimated number of positive confirmation tests, specified in INVITATION FOR BID, is required for the year. Judiciary shall be charged according to number of tests administered per month at the unit Bid Cost per Test specified in INVITATION FOR BID. Judiciary reserves the right to increase or decrease number of tests per month without change to unit bid cost per test. Monthly billings shall be adjusted accordingly.

Contractor shall utilize the Limit of Quantitation Cutoffs for confirmation testing.

1.5. FACILITIES

Contractor shall make available sample collection facilities within close proximity of the Judiciary buildings and other locations on each island listed in these Bid Specifications. (Note: Collection of Molokai or Lanai samples, if any, may be arranged and negotiated by Judiciary with contractor on a case-by-case basis.) All substance abuse testing performed in the State shall be performed by a testing laboratory licensed by the Department of Health, State of Hawaii, for that purpose, or certified for substance abuse testing by the Substance Abuse and Mental Health Services Administration of the United States Department of Health and Human Services, and approved by the Director of The Department of Health, State of Hawaii.

1.6. TEST RESULTS

Contractor shall submit via email or FAX a written report on test results of samples within seventy-two (72) hours of sample submission. The report shall be submitted to Officer-in-Charge, or his representative, and shall be in a format acceptable to Officer-in-Charge. Original hard copy of faxed test results shall be mailed to appropriate Circuits after being faxed. If results are not submitted within the seventy-two (72) hour period specified herein, provision on liquidated damages shall be applicable.

Samples which test positive shall be made available to defense counsel in a timely manner for independent testing, when requested in writing by counsel. Upon receipt of such requests, the appropriate Circuit shall inform Prosecuting Attorney's Office and defense counsel to make proper arrangements with Contractor. Strict chain-of-custody procedures are to be followed at all times. Any problems shall immediately be reported to Officer-in-Charge. Sample shall be returned to Contractor for storage upon completion of testing.

Contractor shall provide written documentation confirming positive test results when requested by officer in cases which are taken back to court.

1.7. EXPERT TESTIMONY

The Contractor shall provide expert testimony on initial screening and confirmation testing and procedures, if necessary, for a reasonable cost per hour, which shall be negotiated between the Contractor and the Departments of the Prosecuting Attorneys of each circuit. Projected costs for expert testimony – in person or by phone, and for litigation packets shall be included as a separate price quotes. The Judiciary will facilitate negotiations with the Departments of the Prosecuting Attorneys subsequent to the awarding of the contract.

1.8. PICK-UP AND DELIVERY

JUDICIARY, FIRST CIRCUIT: Sample collection shall be done at Contractor's own facility.

Contractor shall provide daily delivery of results to:

Circuit Court

Ms. Raynette Kam, Juvenile Intake & Probation

Kaahumanu Hale,

777 Punchbowl Street, 1st Floor

Honolulu, HI 96813-5093,

[Telephone (808) 539-4497 FAX (808)539-4486]

between 8:00 a.m. and 4:30 p.m., and upon request. Contractor must be able to conduct tests and provide test results seven days a week. Screening and confirmation tests results shall be conducted and reported within seventy-two (72) hours of sample submission. Specific times of pick-up and delivery shall be coordinated with Officer-in-Charge.

If results are not submitted within the seventy-two (72) hour period as specified, provision on liquidated damages will be applicable.

JUDICIARY Second, Third and Fifth Circuits: Contractor shall pick-up samples at Contractor's designated collection sites. Results shall be delivered to the following location addresses:

For Maui, Molokai & Lanai

JUDICIARY , 2nd Circuit

Ms. Judy Kawano

2145 Main Street

Wailuku, Hawaii 96793-1679

[Telephone (808)244-2792

FAX (808)244-2870]

For Hawaii

JUDICIARY , 3rd Circuit

Ms. Elayne Higa

777 Kilauea Avenue

Hilo, Hawaii 96720 -4212

[Telephone (808)961-7675 FAX (808)961-6510]

For Kauai

JUDICIARY, 5th Circuit

Mr. David Lam

3970 Kaana Street,

Lihue, Hawaii 96766-1283

[Telephone (808)482-2378; FAX (808)482-2510]

The provisions for delivery of results and conducting tests as stated for the Judiciary, First Circuit applies for the Second, Third, and Fifth Circuits.

1.9. CHAIN-OF-CUSTODY

Chain-of-custody procedures must be established by Contractor, including security equipment for transportation of samples. All procedures shall be submitted to and approved by Officer-in-Charge.

1.10. STORAGE

Contractor shall provide secure storage of all positive samples for a minimum period of six (6) months unless notified in writing, by the JUDICIARY.

Upon request by the JUDICIARY, Contractor shall make positive samples available for reconfirmation testing by an independent laboratory in the event a client wants to have an independent laboratory test the specimen.

END OF SECTION

SECTION TWO - SPECIAL PROVISIONS

2.1. SCOPE

Work included in this contract shall consist of PROVIDING STATEWIDE SAMPLE COLLECTION, INITIAL DRUG SCREENING AND CONFIRMATION TESTING for The Judiciary, State of Hawaii, as specified herein and shall be in accordance with these Special Provisions, the attached Specifications, General Conditions and Procedural Requirements.

2.2. OFFICER-IN-CHARGE

The following individuals, acting either directly or through authorized representatives, are designated Officers-in-Charge:

<u>OFFICER-IN-CHARGE</u>	<u>DIVISION</u>	<u>PHONE NO.</u>
Duane Ikeda, Proj. Coord.	1st Circuit - Oahu	539-4408
Eugenie Keanu	1st Circuit - Oahu	539-4480
Judy Kawano	2nd Circuit - Maui	244-2792
Elayne Higa	3rd Circuit - Hilo	961-7675
David Lam	5th Circuit - Kauai	482-2378

2.3. TERM OF CONTRACT

Contractor shall enter into a contract to PROVIDE STATEWIDE SAMPLE COLLECTION, INITIAL DRUG SCREENING AND CONFIRMATION TESTING for the JUDICIARY Courts for a period of twenty-four (24) months commencing on July 1, 2011 through June 30, 2013. Unless terminated, and subject to availability of funds, the contract may be extended by the Judiciary for not more than two (2) additional twelve (12) month periods without rebidding, upon mutual agreement in writing at least thirty (30) days prior to expiration. The contract may be extended provided the compensation rate is lower, remains the same as the previous year's compensation rate, or is negotiated and mutually agreed upon by each party and that the increase in amount will be no more than 5% of the contracted compensation rate..

If option to extend is mutually agreed upon, Contractor shall be required to execute an Amendment to Agreement.

2.4. OFFEROR QUALIFICATION

Experience. Offeror will list at least three references other than Judiciary, for whom bidder has performed services of a similar nature and volume of services specified herein, that will qualify bidder to perform the project. Judiciary reserves the right to contact references provided, and Judiciary reserves the right to reject bid submitted by any bidder whose performance on other jobs for this type of service has been proven unsatisfactory.

Licensing. Contractor shall submit copies of all licenses and accreditations required to conduct toxicology testing in the State of Hawaii.

2.5. BID PREPARATION

Legal Name. Bidder is requested to submit its bid under its exact legal name as registered at the Department of Commerce and Consumer Affairs. Failure to do so may delay proper execution of contract.

Bid Quotation. Bid prices shall include all applicable taxes, costs to provide sample collection, initial drug screening, confirmation testing, FAX and delivery of written test results as detailed in Specifications, and all expenses necessary to provide services during duration of contract.

OFFER FORM Item "Collection Costs" - Bidder shall state standard fee to be charged per test on each island. In addition to standard fee, in "Additional Cost/Test" section, bidder shall state its additional charges (e.g. courier service) for outer island tests.

OFFER FORM Item - Expert Witness testimony may be required in extraordinary cases. In addition to providing proposed fees for Actual Court Time, Travel/Waiting Time, and Maximum Fee Per Day, please provide a description and fee schedule for other available services/procedures (e.g. depositions, telephone interview, teleconferencing, etc.) which may be considered in lieu of providing Expert Witness testimony in person. (Attach another sheet if more space needed.)

Contract Bond. A Contract Bond is NOT required for this INVITATION FOR BID.

Wage Certificate. A Wage Certificate is NOT required for this INVITATION FOR BID.

Tax Liability. Work to be performed under this solicitation is a business activity taxable under Chapter 237, HRS, and vendors are advised that they are liable for the Hawaii General Excise tax (GET). If however, an Offeror is a person exempt by the 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.

2.6. SUBMISSION OF PROPOSAL

Offerors shall submit three (3) copies (1 original, 2 copies) of the Proposal Submission Packet. Completed proposals must be submitted no later than 2:00 p.m. HST on April 7, 2011, to:

The Judiciary, State of Hawaii
Financial Services Administrator
1111 Alakea Street, 6th Floor
Honolulu, HI 96813 -2807
Attention: Kathleen Kim

PROPOSALS RECEIVED AFTER THE ABOVE DATE AND TIME SPECIFIED SHALL NOT BE ACCEPTED AND SHALL BE RETURNED TO THE VENDOR UNOPENED.

Proposals on CD or flash drive. As an option to submitting hard copies (orig. +2) of your entire Proposal packet, Proposals may be submitted on CD or flash drive (3copies) in Adobe pdf format no later than the date and time indicated in the Significant Dates section of this RFP.

Proposals via electronic submittal. As another option to submitting hard copies of your Proposal packet, Proposals may be submitted no later than the date and time indicated in the Significant Dates section of this RFP to the above Purchasing Specialist via Email or FAX.

Proposer bears responsibility for transmission. Proposers who submit proposals or amendments by electronic means, bear the whole and exclusive responsibility for assuring that the documents are received by the purchasing agency and for ensuring the complete, correctly formatted, legible, and timely transmission of their documents. By opting to submit documents by electronic means, Proposers assume all risk that a purchasing agency's receiving equipment and system may be inoperative or otherwise unavailable at the time transmission is attempted.

2.7. AWARD

Award, if any, shall be made to the responsive and responsible bidder submitting the lowest TOTAL 24 MONTH BID AMOUNT. This is an estimate of the total contract amount; actual payments to CONTRACTOR shall be based on actual quantity of tests performed at "COST/TEST" unit bid prices stated in OFFER FORM.

2.7.1. Requirement for Award. To be eligible for award, the successful proposer will be contacted to submit copies of the documents listed below to demonstrate compliance with the requirements of § 103D-310 (c), HRS:

1. Chapter 237, tax clearance;
2. Chapter 383, unemployment insurance;
3. Chapter 386, worker's compensation;
4. Chapter 392, temporary disability insurance;
5. Chapter 393, prepaid health care; and
6. Chapter 103D-310, Certificate in Good Standing for entities doing business in the State of Hawaii.

The Contractor may choose to use the Hawaii Compliance Express (HCE) which allows businesses to register online through a simple wizard interface at <http://vendors.ehawaii.gov> to acquire a "Certificate of Vendor Compliance". The HCE provides current compliance status as of the issuance date. In order to meet compliance, the certificate must indicate "COMPLIANT". This certificate shall be accepted for both contracting purposes and final payment. There is an annual fee to the Hawaii Information Consortium, LLC. If the Contractor chooses not to enroll in HCE, paper certificates are required.

A. Timely Submission of all Certificates

The above certificates should be applied for and submitted to the Judiciary upon award of contract. If a valid certificate is not submitted on a timely basis for award of a contract, a contract may not be awarded.

B. Final Payment Requirements

In addition to a tax clearance certificate, an original CERTIFICATE OF GOOD STANDING for FINAL PAYMENT (SPO Form 22) will be required for final payment. A copy of the form is also available at <http://www4.hawaii.gov/StateFormsFiles/form221.pdf>

C. Insurance

Proposers shall provide insurance information as requested on PROPOSAL FORM.

Contractor shall, at his own expense, procure and maintain during term of contract, the following types and/or amounts of insurance:

1. Automobile Liability Insurance, not less than \$300,000 per person for bodily injury, and not less than \$50,000 per occurrence for property damage.
2. General Liability Insurance, not less than \$50,000 property damage per person, not less than \$100,000 bodily injury per person, and \$300,000 comprehensive general liability per occurrence.

3. Workers' Compensation, Temporary Disability, Unemployment Insurance, and Prepaid Health Care Health Care to cover all of his employees working in any capacity in executing contract.

Such insurance policies shall include a proviso whereby insurer shall notify the Financial Services Administrator in writing of any cancellation or change in provisions thirty (30) calendar days prior to effective date of such cancellation or change. Furthermore, the policies shall name the Judiciary as additional insured and shall be written by insurance companies licensed to do business in the State. Failure of contractor to provide and keep in force such insurance shall be regarded as material default under this contract, entitling Judiciary to exercise any or all of remedies provided in this contract for a default of contractor.

Prior to execution of contract, successful bidder shall provide proof of coverage of insurance requirements set forth under this section.

2.8 . CONTRACT EXECUTION AND EXTENSION

Successful Offeror receiving the award shall be required to enter into a formal written contract. The contract shall be enforceable only to the extent that funds have been certified and are available of the purchase of the identified services. If the option to extend for an additional period is mutually agreed upon, the Contractor shall be required to execute a supplement to the contract. Any contract extension must be executed by the Contractor on less than thirty (30) days prior to the scheduled date of termination, otherwise the requirement must be rebid. The contract may be extended provided the compensation rate is lower, remains the same as the previous year's compensation rate, or is negotiated and mutually agreed upon by each party. At the time of the extension, increases will be considered if the increase is for not more than 5% per test. Changes to the cost per test must be mutually agreed upon in writing and submitted with the request for contract extension. All contract extensions are subject to the availability of funds.

The contract commencement date shall be specified in the Notice to Proceed. A copy of a tax clearance certificate issued by the Hawaii State Department of Taxation and Internal Revenue Service must be submitted prior to execution of the contract (if copy was not submitted with bid proposal).

The contract shall be enforceable only to the extent that funds have been certified and are available of the purchase of the identified services.

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

At the time of the extension, the contract price for the extended period shall remain the same as the previous year's contract price unless adjusted as negotiated and mutually agreed upon.

2.9. SUBCONTRACTING

The Contractor shall not delegate any duties listed in this IFB to a subcontractor unless given written approval by the Financial Services Administrator. The Judiciary reserves the right to approve subcontractors and to require the primary contractor to replace a subcontractor(s) found to be unacceptable. The primary contractor will be the sole point of contact with regard to contractual matters, including payment to any and all charges resulting from the contract, and shall be responsible for all services whether or not the primary

contractor performs them.

2.10. REMOVAL OF CONTRACTOR'S EMPLOYEE

Contractor agrees to remove any of its employees from services rendered and to be rendered to Judiciary, upon request in writing by Officer-in-Charge.

2.11. INSPECTION

All procedures for sample collection, testing and related procedures shall be subject to inspection and approval by Officer-in-Charge or a representative of Judiciary so as to ascertain that services rendered are in accordance with requirements and intentions of the Specifications and Special Provision. He may require additional information as necessary to maintain a record of service rendered.

2.12. INVOICING AND PAYMENT

Contractor shall submit separate invoices for work completed at each circuit. Original and three copies of each invoice shall be sent to the appropriate addresses:

The Judiciary First Circuit Court Duane Ikeda 777 Punchbowl Street Honolulu, Hawaii 96813-5093	The Judiciary Second Circuit Court Anne Jinnai Fiscal Office 2145 Main Street Wailuku, Hawaii 96793-1679
The Judiciary Third Circuit Court Colin Young Fiscal Office 777 Kilauea Avenue Hilo, Hawaii 96720 -4212	The Judiciary Fifth Circuit Court Miles Mizukami Fiscal Office 3970 Kaana Street, # 205 Lihue, Hawaii 96766-1283

Monthly payments shall be made to the Contractor at the contracted price upon certification that the Contractor has satisfactorily performed the required services each month.

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

Judiciary will not recognize any requirement established by the Contractor and communicated to the Judiciary after award of the contract, which requires payment within a shorter period or interest payment not in conformance with Statute.

2.13. COMPLIANCE WITH LAWS

Contractor shall observe, perform, and comply with all laws, statutes, ordinances, rules and regulations of the United States Government, the State of Hawaii, or any department or agency thereof.

Contractor shall further indemnify, save and hold harmless the Judiciary against all actions, suits, damages and claims by whomsoever brought or made by reason of the nonobservance, nonperformance or noncompliance with the said laws, statutes, ordinances, rules or regulations.

2.14. OTHER SPECIAL PROVISIONS

2.14.1. Termination for Cause:

If the Contractor:

1. Fails to begin the work or services under the contract within or by the time specified.
2. Fails to perform the work with sufficient workmen, equipment, or materials to insure prompt completion of the work.
3. Performs the work or services negligently, or neglects or refuses to remove materials or to perform anew, such work or services that may be rejected as unacceptable.
4. Discontinues the prosecution of the work or services.
5. Otherwise breaches any term of the contract.
6. Becomes insolvent or is declared bankrupt, or commits any act of bankruptcy or insolvency.
7. Allows any final judgment to stand against him unsatisfied for a period of ten (10) days.
8. Makes an assignment for the benefit of creditors.
9. For any other cause whatsoever, fails to carry out the work or services in an acceptable manner, the Judiciary will give notice to the Contractor of such delay, neglect, or default.

If the Contractor within a period of ten (10) days after the date of such notice, shall not proceed in accordance therewith, then the Judiciary will have full power and authorize, without violating the contract, to take the prosecution of the work or services out of the hands of the Contractor, and to use such methods as are deemed necessary to complete the contract in an acceptable manner.

All costs and charges incurred by the Judiciary, together with the cost of completing the work or services under the contract, will be off set from any monies due or which would or might have become due to the Contractor had the Contractor completed the work under the contract. If such expense exceeds the sum which would have been payable under the contract, the Contractor shall be liable and shall pay to the Judiciary the amount of such excess within ten (10) days after demand therefore.

2.14.2. Termination for Lack of Funds

Pursuant to Section 103-39, Hawaii Revised Statutes, except in certain instances not contract entered into between the Judiciary and the Contractor shall be binding or of any force unless the Judiciary Fiscal and Support Services Administrator certifies that there is an available unexpended appropriation or balance of an appropriation over and above all outstanding contracts sufficient to cover the amount required by the contract.

If the contract calls for performance or payment in more than one fiscal year, the fiscal year being July 1 to June 30, the Judiciary Financial Services Administrator is permitted to certify only that portion of the total funds required for the contract that is available since funds may not be allocated to satisfy the Judiciary's obligations for periodic payments in future fiscal periods. In such an event, the Judiciary will not be obligated to pay the net remainder of the agreed to consecutive periodic payments remaining unpaid beyond the end of the then current fiscal year, and availability of funds in excess of the amount certified as available shall be contingent upon future appropriations or special fund revenues. All contracts partially funded shall be enforceable only to the extent to which funds have been certified as available. The Judiciary agrees to notify the Contractor of such non-allocation at the earliest possible time.

2.14.3. Liquidated Damages

Failure to complete the services described in the contract within the time proposed will cause damage to the Judiciary. The amounts of said damages shall be fixed at the sum of FIFTY DOLLARS (\$50.00) for each and every calendar day the Contractor delays in the completion of any item of the contract after the required date of said completion. The total sum due for such delay, shall be deducted from any payments due or to become due to the Contractor or shall be billed to the Contractor. The Contractor is responsible for payment, to the Judiciary, of all liquidated damages assessed against the Contractor.

2.14.4. Rights and Remedies for Default

In the event the Contractor fails, refuses or neglects to perform any of the services in accordance with the requirements of these Special Provisions and the Specifications herein, in addition to the recourses stated in the General Conditions, the Judiciary reserves the right to purchase in the open market, a corresponding quantity of services specified herein and to deduct from any moneys due or that may thereafter become due to the Contractor, the difference between the price named in the contract and the actual cost thereof to the Judiciary. In case any money due the contractor is insufficient for said purpose, the contractor shall pay the difference upon demand by the Judiciary. The Judiciary may also utilize all other remedies provided by law.

2.14.5. Cancellation of Solicitation and Rejection of Offers

The solicitation may be canceled or the offers may be rejected, in whole or in part, when in the best interest of the purchasing agency, as provided in 3-122-95 through 3-122-97 HAR.

2.14.6. Conflicts and Variations

In the event of any conflict or variation between the provisions of this document entitled Special Provisions and the General Conditions, the provisions of the document entitled Special Provisions shall control. In the event of any conflict or variation between the provisions of this document entitled Special Provisions and the Specifications, the provisions of the document entitled Specifications shall control.

END OF SECTION