GENERAL CONDITIONS

1. INTENT OF CONTRACT:

The Queen Kaahumanu Widening, Phase I, Henry Street to Kealakehe Parkway ("Project") is a design-build contract and will be awarded using the multi-step procurement process described herein. The purpose of the bid document is to provide the Contractor-Designer team ("Contractor") with sufficient information and parameters so that a lump sum cost proposal for the design and construction of this Project can be prepared and submitted. The intent of this contract is to combine engineering services, project management, and construction under one contract to establish a single point of responsibility.

2. SOLICITATION INSTRUCTIONS AND CONDITIONS:

The submittal of proposals does not commit the State to award a contract or to pay any cost incurred in the preparation of the proposal. The Comptroller is the only individual who can act on behalf of the State to initiate the obligations of the State for the expenditure of Public Funds.

3. PROCUREMENT OF SERVICES:

Multi-step sealed bidding is designed to obtain the benefits of a competitive sealed bidding by an award of a contract to the lowest priced responsive, responsible bidder, and at the same time obtaining the benefits of the competitive sealed proposals procedure through the solicitation of proposals and the conduct of discussions to evaluate and determine the quality of the proposals.

Multi-step sealed bidding is defined as a two-step process consisting of a qualification phase <u>Step One</u> requiring the submittal of a Qualification Proposal to be evaluated and rated by the State, based on criteria established in the bid documents; and <u>Step Two</u> in which only those proposers whose Qualification Proposal were determined to be acceptable during step one will be invited to submit a sealed Priced Bid Proposal for consideration and award of a contract to the lowest priced, responsive, and responsible bidder

4. <u>BIDDING</u>:

The bidder will be responsible to use the information contained in the bid documents; to obtain other information as determined by the bidder; obtain the services of a design engineering firm to prepare construction plans,

specifications, estimates, permits, and clearances; obtain the State's approval of the Contractor designed construction documents; provide quality control measures; and to construct the Project in accordance with the construction documents.

The items contained in the bid proposal schedule are for comparison of bids only.

The priced proposal shall be submitted on a lump sum basis, and will be the total amount paid for the work.

The entire cost of complying with the provisions of the contract including, but not limited to, all labor, materials, tools, resources, permits and equipment, shall be included in the lump sum bid amount.

All Priced Proposals shall be on the forms furnished by the State.

The State reserves the right to reject any or all proposals and to waive any imperfection/defects in the proposals in the best interest of the Public.

Bidder's attention is directed to the requirement for disclosure of organizational conflicts of interest set forth in the Regulations of the U.S. Department of Transportation (Title 23, Code of Federal Regulations Part 636, Subpart A, section 636.116(a)(2)).

All bidders shall examine the project site and take necessary action to ascertain the nature, location, site conditions and difficulty of the work.

5. CONTRACT TIME:

The contract completion time (design and construction) for this project is six hundred (600) calendar days from the date indicated in the Design Notice To Proceed from the State.

Completion date is the date of final acceptance of the entire project by the State and relief of maintenance of the Contractor.

6. PRECEDENCE OF CONTRACT DOCUMENTS:

The General Conditions, Qualification Proposal, Priced Bid Proposal, and Statement of Work, shall govern over the Special Provisions and Standard Specifications. Special Provisions shall govern over the Standard Specifications and Project Plans. Project Plans shall govern over Standard Plans.

7. BASIS OF PAYMENT:

The State will pay for the accepted work on a lump sum basis complete in place.

All work described in the Hawaii Standard Specifications for Road, Bridge, and Public Works Construction, 1994, and the Special Provisions of this contract will be paid on a lump sum basis, with the exception of payment for Water Pollution and Erosion Control of Special Provisions Section 209, and Additional Police Officers and/or Additional Traffic Control Devices of Special Provisions Section 645 Traffic Control Devices. Water Pollution and Erosion Control, and Additional Police Officers and/or Additional will be paid on a force account basis.

Payment includes all labor, materials, tools, equipment, water, power, transportation, temporary maintenance and construction of every nature, and all other incidentals, services and facilities necessary to execute and complete the work.

The total amount paid to the Contractor for the accepted work will not exceed the contract sum of all items, except as provided for in the contract documents.

8. PROGRESS PAYMENTS:

Payment to the Contractor will be based on a percentage of the design completed, construction work done and materials incorporated by the Contractor as specified in the contract documents.

The Contractor will submit a schedule of prices for the various items of work paid for by a lump sum price. The schedule of prices will breakdown the lump sum price items in the bidder's proposal into smaller component parts in sufficient detail. Each schedule item will consists of a lump sum price and associated theoretical quantity. The sum of the prices submitted for the schedule items must equal the lump sum bid in the bidder's proposal. This schedule will be subject to acceptance by the State who may require the bidder to submit another or several other schedules if in the State's opinion the prices are unbalanced or not sufficiently detailed.

Payment will be made monthly based upon the percentage of the work completed under each schedule item as estimated by the Contractor and approved by the State. The Contractor will be paid the percentage of the price, as approved by the State established for each schedule item, less any permissible retention.