

1 **SECTION 109 – MEASUREMENT AND PAYMENT**

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3 Make the following amendment to said Section:

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5 **(I) Amend Subsection 109.05 Allowances for Overhead and Profit** by
6 revising lines 101 to 110 to read as follows:

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8 “**(1)** 20 percent of the direct cost for any work performed by the
9 Contractor’s own labor force.

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11 **(2)** 20 percent of the direct cost for any work performed by each
12 subcontractor’s own labor force.

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14 **(3)** For the Contractor or any subcontractor for work performed
15 by their respective subcontractor or tier subcontractor, 10 percent
16 of the amount due to the performing subcontractor or tier
17 subcontractor.”

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19 **(II) Amend Subsection 109.08(B) Payment for Material On Hand** by
20 revising lines 421 to 423 to read as follows:

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22 “**(2)** The materials shall be stored and handled in accordance
23 with Subsection 105.14 – Storage and Handling of Materials and
24 Equipment.”

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27 **(III) Amend Subsection 109.11 Final Payment** by revising lines 568 to 576
28 to read as follows:

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30 “**(3)** A current “Certificate of Vendor Compliance” issued by the
31 Hawaii Compliance Express (HCE). The Certificate of Vendor
32 Compliance is used to certify the Contractor’s compliance with

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34 **(a)** Section 103D-328, HRS (for all contracts \$25,000 or
35 more) which requires a current tax clearance certificate
36 issued by the Hawaii State Department of Taxation and the
37 Internal Revenue Service;

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39 **(b)** Chapters 383, 386, 392, and 393, HRS; and

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41 **(c)** Subsection 103D-310(c), HRS. The State reserves
42 the right to verify that compliance is current prior to the
43 issuance of final payment. Contractors are advised that non-
44 compliance status will result in final payment being withheld
45 until compliance is attained.

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47 Sums necessary to meet the claims of any governmental agencies
48 may be withheld from the sums due the Contractor until said

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claims have been fully and completely discharged or otherwise satisfied.”

END OF SECTION 109