

May 3, 2013
Agenda Item IV.B.

MEMO TO: KIRC Commissioners
FROM: Michael K. Nāho`opi`i, Executive Director
SUBJECT: Authorize Executive Director to Extend Communications Contract for FY13

RECOMMENDED MOTION:

To authorize the Executive Director to extend the Communications Services contract with Harmer Radio and Electronics, Inc. for the period July 1, 2013 through June 30, 2014 in the amount of \$62,075.00.

BACKGROUND & SUMMARY:

The current Harmer Communications contract to provide communications services will expire June 30, 2013. This will be the second of three extensions.

The contract services provided include the repair and maintenance of all KIRC radios, base stations, and repeater system (voice); repair, maintenance and site rental for the KIRC microwave relay system (internet and telephone); and Dish services (television).

LEGAL AUTHORITY:

The relevant provisions of Chapter 6K, Hawai`i Revised Statutes, read as follows:

[§6K-6] Responsibilities and duties of the commission - The general administration of the island reserve shall rest with the commission. In carrying out its duties and responsibilities, the commission...

(2) Shall approve all contracts for services and rules pertaining to the island reserve...

[§6K-9.5] Kaho`olawe rehabilitation trust fund - (b) The commission may use moneys in the trust fund to carry out the purposes of this chapter, including hiring employees, specialist and consultants necessary to complete projects relating to the purposes of this chapter.

RECOMMENDATION:

To authorize the Executive Director to extend the Communications Services contract for the period July 1, 2013 through June 30, 2014.



STATE OF HAWAII

SUPPLEMENTAL CONTRACT NO. 2

TO CONTRACT 60684
(insert contract number or other identifying information)

This Supplemental Contract No. 2, executed on the respective dates indicated below, is effective as of July 1, 2013, between the Kaho'olawe Island Reserve Commission, State of Hawaii

(insert name of state department, agency, board or commission)
("STATE"), by its Executive Director,
(insert title of state officer executing contract)

(hereafter also referred to as the HEAD OF THE PURCHASING AGENCY or designee ("HOPA")), whose address is 811 Kolu Street, Suite 201, Wailuku, HI 96793, and Harmer Radio and Electronics, Inc.

("CONTRACTOR"),
a corporation
(insert corporation, partnership, joint venture, sole proprietorship, or other legal form of the CONTRACTOR)

under the laws of the State of Hawai'i, whose business address and federal and state taxpayer identification numbers are as follows: 300 Ho'ohana Street, Kahului, HI 96732; 99-0280127; W20427920-01

RECITALS

A. WHEREAS, the STATE and the CONTRACTOR entered into Contract 60684
(insert contract number or other identifying information)

dated January 1, 2012, which was amended by Supplemental Contract No(s). 1
dated July 1, 2012, which was amended by Supplemental Contract No(s).
dated , , which was amended by Supplemental Contract No(s).
dated , (hereafter collectively referred to as "Contract"), whereby the CONTRACTOR agreed to provide the goods or services, or both, described in the Contract; and

B. WHEREAS, the parties now desire to amend the Contract.
NOW, THEREFORE, the STATE and the CONTRACTOR mutually agree to amend the Contract as follows: (Check Applicable box(es))

- Amend the SCOPE OF SERVICES according to the terms set forth in Attachment-S1, which is made a part of the Contract.
- Amend the COMPENSATION AND PAYMENT SCHEDULE according to the terms set forth in Attachment-S2, which is made a part of the Contract.
- Amend the TIME OF PERFORMANCE according to the terms set forth in Attachment-S3, which is made a part of the Contract.
- Amend the SPECIAL CONDITIONS according to the terms set forth in Attachment-S6 SUPPLEMENTAL SPECIAL CONDITIONS, which is made a part of the Contract.
- Recognize the CONTRACTOR'S change of name.
FROM: _____

TO: _____

As set forth in the documents attached hereto as Exhibit _____, and incorporated herein.

A tax clearance certificate from the State of Hawaii is is not required to be submitted to the STATE prior to commencing any performance under this Supplemental Contract.

A tax clearance certificate from the Internal Revenue Service is is not required to be submitted to the STATE prior to commencing any performance under this Supplemental Contract.

The entire Contract, as amended herein, shall remain in full force and effect.

IN VIEW OF THE ABOVE, the parties execute this Contract by their signatures, on the dates below, to be effective as of the date first above written.

FUNDING AGENCY: (if other than contracting agency)

STATE

By _____
Signature

(Signature)
Michael K. Naho'opi'i

PRINT NAME: _____

(Print Name)
Executive Director

DIRECTOR OF _____

(Print Title)

DATE: _____

(Date)

CORPORATE SEAL
(If available)

CONTRACTOR

Harner Radio and Electronics, Inc.

(Name of Contractor)

(Signature)

(Print Name)

(Print Title)

(Date)

APPROVED AS TO FORM:

Deputy Attorney General

* Evidence of authority of the CONTRACTOR'S representative to sign this Contract for the CONTRACTOR must be attached.



STATE OF HAWAII

CONTRACTOR'S ACKNOWLEDGMENT

STATE OF _____)
) SS.
_____ COUNTY OF _____)

On this _____ day of _____, _____ before me appeared
_____ and _____, to me
known, to be the person(s) described in and, who, being by me duly sworn, did say that he/she/they is/are
_____ and _____ of
_____, the
CONTRACTOR named in the foregoing instrument, and that he/she/they is/are authorized to sign said
instrument on behalf of the CONTRACTOR, and acknowledges that he/she/they executed said
instrument as the free act and deed of the CONTRACTOR.

(Notary Stamp or Seal)

(Signature)

(Print Name)

Notary Public, State of _____

My commission expires: _____

Doc. Date: _____ # Pages: _____

Notary Name: _____ Circuit

Doc. Description: Contract for Goods or Services Based

Upon Competitive Sealed Bids

(Notary Stamp or Seal)

Notary Signature _____ Date

NOTARY CERTIFICATION



STATE OF HAWAII
COMPENSATION AND PAYMENT SCHEDULE

S2.1 Scope of Payment

In consideration of the services to be performed under this Agreement, the STATE agrees to pay the CONTRACTOR as follows:

MONTHLY SERVICES, as per bld To be billed every month	Cost per	Cost per Term
	Month	(12 months)
Microwave system maintenance (Kaho'olawe to Lana'i)	\$ 870.00	\$ 10,440.00
Site rent, Manele sewer plant site	\$ 900.00	\$ 10,800.00
Telephone and data circuit provisioning	\$ 826.00	\$ 9,912.00
Radio maintenance, system support	\$1,015.00	\$ 12,180.00
Repeater/link maintenance (bunker, Haleakala)	\$725.00	\$ 8,700.00
Dish Network programming (Business Ultimate Plan Plus Preferred)	\$ 130.00	\$ 1,560.00
Total Monthly Services	\$4,466.00	\$ 53,592.00
Hawai'i General Excise Tax (4.166%)	\$ 186.05	\$ 2,232.64
Total Monthly Payment Schedule	\$4,652.05	\$ 55,824.64

CONTINGENCY SERVICES, as per bld To be billed only if/when service is needed/provided		
Radio parts, portable and mobile		\$ 1,000.00
Microwave radio board repair		\$ 3,000.00
Miscellaneous infrastructure battery replacement		\$ 1,500.00
Dish Network Distribution upgrade		\$ 750.00
Total Contingency Payment Schedule		\$ 6,250.00
TOTAL CONTRACT AMOUNT		\$ 62,074.64

After the first three months of the contract term or any extension period, if applicable, the CONTRACTOR may request an increase(s) in Contract price when a substantial price increase(s) on products or services is imposed upon the CONTRACTOR. Such request must be made in writing to the Procurement Officer and must meet the following conditions:

- a. Request for a price increase(s) shall be limited to the actual increase(s) imposed upon the CONTRACTOR.
- b. CONTRACTOR shall submit at the time of such written request, documentation or verification of the increase(s) imposed upon the CONTRACTOR.
- c. No price increase will be allowed for the initial Contract term. A price increase(s), if any, shall be effective upon approval by the Procurement Officer; approval shall be made within ten (10) calendar days after receipt by the STATE.

S2.2 Schedule for Payments

The STATE will only make payments for completed travels. For payment purposes, the CONTRACTOR shall submit each original invoice – an indisputable original – to the Kaho'olawe Island Reserve



STATE OF HAWAII

COMPENSATION AND PAYMENT SCHEDULE

Commission for approval and processing. All invoices shall be accompanied by the flight manifest indicating the names of the passengers trip authorization form issued by the STATE. No payments will be made without the flight manifest authorization form.

S2.3 Final Acceptance and Payment

Final acceptance is stipulated to mean a written notice to the CONTRACTOR of the satisfactory fulfillment of the Contract requirements. Final payment will be made only after issuance of the notice of final acceptance and the CONTRACTOR'S compliance with the Hawaii Compliance Express.



STATE OF HAWAII TIME OF PERFORMANCE

S3.1 Time of Completion

Time is of essence in the Agreement and the CONTRACTOR shall perform the work with due efficiency and diligence to complete the work within the specified time.

S3.2 Time Extension

The STATE may, upon request of the CONTRACTOR and for good cause, extend the completion date of this Agreement by written notice to the CONTRACTOR. This contract may be extended no more than three times, with each extension being no longer than twelve (12) months.

S3.3 Schedule

This communications service and maintenance of communications systems contract shall remain effective through June 30, 2014, unless otherwise amended by the STATE.



STATE OF HAWAII

CERTIFICATE OF EXEMPTION
FROM CIVIL SERVICE

1. By Heads of Departments Delegated by the Director of the Department of Human Resources Development (“DHRD”).*

Pursuant to a delegation of the authority by the Director of DHRD, I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, Hawaii Revised Statutes (HRS).

(Signature)
Michael K. Naho`opi`i

(Print Name)
Executive Director

(Print Title)

(Date)

* This part of the form may be used by all department heads and the heads of attached agencies to whom the Director of DHRD expressly has delegated authority to certify § 76-16, HRS, civil service exemptions. The specific paragraph(s) of § 76-16, HRS, upon which an exemption is based should be noted in the contract file. If an exemption is based on § 76-16(b)(15), the contract must meet the following conditions:

- (1) It involves the delivery of completed work or product by or during a specific time;
- (2) There is no employee-employer relationship; and
- (3) The authorized funding for the service is from other than the "A" or personal services cost element.

NOTE: Not all attached agencies have received a delegation under § 76-16(b)(15). If in doubt, attached agencies should check with the Director of DHRD prior to certifying an exemption under § 76-16(b)(15). Authority to certify exemptions under §§76-16(b)(2), and 76-16(b)(12), HRS, has not been delegated; only the Director of DHRD may certify §§ 76-16(b)(2), and 76-16(b)(12) exemptions.

2. By the Director of DHRD, State of Hawaii.

I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to §76-16, HRS.

(Signature)

(Print Name)

(Print Title, if designee of the Director of DHRD)

(Date)



STATE OF HAWAII SPECIAL CONDITIONS

5.1 Definitions

For the purpose of brevity and uniformity, all references to "HRE" herein shall be construed to mean Harmer Radio and Electronics, Inc. All references to the "subscriber" or "KIRC" shall be construed as meaning and applying to the State of Hawai'i, Kaho'olawe Island Reserve Commission, owner or user of the equipment to be maintained pursuant to the terms of this agreement pursuant to RFQ No. OPS12-COM01.

5.2 Work

During the term of this agreement HRE agrees to provide maintenance of the equipment described herein commencing on July 1, 2013, the "effective date."

Contract maintenance shall include the labor required to repair the equipment, which has become defective through normal wear and usage. Contract maintenance does not include the following:

- Parts and repair labor or replacement of equipment which has become defective due to damage caused by accidents, association with water or other liquids, physical abuse or misuse of the equipment, acts of God and fires.
- The replacement of defective or worn-out batteries, or the adjustment, alteration or reprogramming to accommodate frequency or ID code changes to equipment. Battery replacement after the initial contract term of six months, should the contract be extended, shall be addressed in the special terms of the contract extension.
- The installation, removal or reinstallation of equipment is not covered by this contract, but will be provided upon request at rates agreed upon by both parties.

For contingency services, as detailed in Section 2.1, all necessary parts required in the repair of all equipment associated with this contract will be billed to subscriber at our dealer cost plus 15 percent.

Contract preventative maintenance shall include the labor required to maintain subscriber's equipment at manufacturer's technical specification through the following:

- One (1) contract period infrastructure equipment performance evaluation and alignment to meet FCC requirements and return equipment to manufacturer's specifications. Such performance evaluation will include adjustment and calibration of equipment according to the applicable manufacturer's maintenance procedures, and technical and visual checks of the equipment. This performance evaluation for all infrastructure equipment associated with this initial contract shall take place during the six months of the contract.

Materials required for general maintenance are included. Parts required to restore equipment to its manufacturer's specifications will be charged under contingency services as noted above. Each battery will be tested for capacity, and any battery found to be 79 percent or less will be discarded. Current dealer cost for batteries is \$70.00. One battery per portable radio will be provided under contract, and will be issued upon request from approved KIRC representative.

This contract does not include maintenance on any building, antenna tower or tower lighting. Such maintenance may be furnished upon request as contingency services as noted above.

5.3 Maintenance Standards

HRE will maintain the equipment in accordance with these standards:

- Dust and foreign substances will be removed from the equipment.
- The equipment will not be subjected to abuse while in HRE's possession.
- The equipment will be maintained at levels necessary to provide the required operability, typically returning equipment to manufactured specifications.
- All maintenance work will be performed by a qualified technician, trained in accordance with the requirements of equipment manufacturer. HRE is factory-trained by Kenwood Communications, Tadiran microwave, E.F. Johnson, Uniden, and others, and licensed by the Federal Communications Commission to work on subject equipment.

5.4 Time and Place of Maintenance Work

Maintenance work on the fixed equipment shall be performed at the location of the equipment. It will be the responsibility of the subscriber to provide suitable transportation of technician(s) to the location of required service. Should it become necessary to facilitate technical repairs of equipment, HRE's facility at 300 Ho`ohana Street, Kahului, Maui will be the primary location for service. It will be the responsibility of subscriber to drop off and pick up subscriber radio equipment requiring service to HRE's Ho`ohana facility.

5.5 Interruption of Service

The subscriber shall notify HRE in the event of radio system component failure, and HRE agrees to respond to the subscriber within forty-eight (48) hours of notice. Contact number during regular office hours is 808-877-8082 and emergency contact pager is 808-877-8299.

HRE does not assume and shall have no liability under this agreement for failure to provide, or for delay in providing, maintenance for the equipment due directly or indirectly to cause beyond the control and without the fault or negligence of HRE, including but not restricted to acts of God; acts of the public enemy; acts of the United States or any state or territory of the United States, or any political subdivision of the foregoing; acts of the subscriber, its agents, employees or subcontractors; fires; floods; epidemics; quarantine restrictions; strikes involving violence or danger to life or limb; freight embargoes; unusually severe weather conditions; or defaults of HRE subcontractors due to any such causes.

5.6 Equipment Description

HRE agrees to provide necessary maintenance according to the requirements set forth in this contract to the following equipment or services:

- Approximately 35 Kenwood TK480 portable radios, including chargers.
- Approximately 12 E.F. Johnson 8600 series mobile radio equipment currently installed as base or link equipment. Also includes any accessories (microphones, headsets, ez-link boxes, speakers).
- Three-channel trunking system located at Communications Tower site, Kaho'olawe; three-channel trunking system located at Haleakala Crater site.
- Tadiran Microwave radio system located at Communications Tower site, Kaho'olawe and Manele Bay site, Lanai. Associated equipment to include antennas, waveguide, all multiplexer equipment, all fiber and copper distribution equipment, power supplies and power distribution equipment. Communications Tower site microwave batteries (48 volt grid) are not covered under the monthly services of this contract but can be provided under contingency services. HRE to subcontract Pacific Lightnet for telephone and data circuits to be carried on subject microwave. HRE is not responsible for outages or the restoration of circuits associated with this provisioning. HRE not responsible for any routers or other broadband distribution equipment, although such could be provided under contingency services.
- Dish Network programming. HRE not responsible for the distribution system following the receivers at Base Camp (installed by others), although such repairs or upgrades could be provided under contingency services.



STATE OF HAWAII
**CONTRACTOR'S
STANDARDS OF CONDUCT DECLARATION**

For the purposes of this declaration:

"Agency" means and includes the State, the legislature and its committees, all executive departments, boards, commissions, committees, bureaus, offices; and all independent commissions and other establishments of the state government but excluding the courts.

"Controlling interest" means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

"Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges. (Section 84-3, HRS).

On behalf of Harmer Radio and Electronics, Inc., CONTRACTOR, the undersigned does declare as follows:

1. CONTRACTOR is is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest. (Section 84-15(a), HRS).
2. CONTRACTOR has not been represented or assisted personally in the matter by an individual who has been an employee of the agency awarding this Contract within the preceding two years and who participated while so employed in the matter with which the Contract is directly concerned. (Section 84-15(b), HRS).
3. CONTRACTOR has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Contract and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of this Contract, if the legislator or employee had been involved in the development or award of the Contract. (Section 84-14 (d), HRS).
4. CONTRACTOR has not been represented on matters related to this Contract, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an agency employee, or in the case of the Legislature, a legislator, and participated while an employee or legislator on matters related to this Contract. (Sections 84-18(b) and (c), HRS).

CONTRACTOR understands that the Contract to which this document is attached is voidable on behalf of the STATE if this Contract was entered into in violation of any provision of chapter 84, Hawaii Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source of the declarations above. Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

* Reminder to Agency: If the "is" block is checked and if the Contract involves goods or services of a value in excess of \$10,000, the Contract must be awarded by competitive sealed bidding under section 103D-302, HRS, or a competitive sealed proposal under section 103D-303, HRS. Otherwise, the Agency may not award the Contract unless it posts a notice of its intent to award it and files a copy of the notice with the State Ethics Commission. (Section 84-15(a), HRS).

CONTRACTOR

By _____
(Signature)

Print Name _____

Print Title _____

Name of Contractor: Harmer Radio and Electronics, Inc.

Date _____