



HAWAII MILITARY

COMMUNITIES, LLC

PROJECT PROCEDURES MANUAL

Project Procedures Manual

Table of Contents

1. Payment Requisitions
2. Reports, Correspondence and Communications
3. Disruption Avoidance Plans (DAPs)
4. Tree Preservation Planning
5. Ground Lease Compliance
6. Historic Preservation
7. Crisis Management Planning
8. Requests for Interpretation
9. Submittal Procedures
10. Schedules
11. Change Orders

1. Payment Requisitions

The intent of this section is to outline requirements and procedures so that the owner (HMC, LLC) can process payment requisitions in a timely and efficient manner in an effort to ensure that contractors and/or consultants are paid by the contractual payment due date. This can only occur, if contractors and/or consultants adhere to the following guidelines for submitting Payment Requisitions:

1. **Completeness** - Contractors and/or Consultants must provide to the Construction Manager a complete and legible payment requisition to be forwarded to the owner. To be complete the pay requisition must include the following:

- A direct cost payment requisition prepared in the format of an AIA Documents No. G702, Application and Certificate for Payment, and a detailed G703 (see attached), to be completed with line item amounts reflecting actual contract amounts; work completed is to be on a cost incurred basis and not on a percentage of completion. Ensure that the prior month's balances carries forward on the G703 accurately.
- A Conditional Lien Waiver or Final Payment Lien Waiver (see attached).
- An updated CPM Schedule. The CM will maintain a master schedule using Primavera P3 and a monthly update from the Contractor is a condition of payment.
- A monthly report that includes a construction update and a job cost report (IOR).
- Progress photos
- Copies of all subcontractor change order
- Stored Material Inventory Control Schedule (this is for both on and off site material being stored)
- For off site stored materials:
 - Bill of sale
 - UCC Statement
 - Insurance certificate
 - Inspection & acceptance reports

Prior to submitting the first pay application a zero cost pay application is required to be submitted and agreed to. The zero cost pay application needs to show a breakdown with respect to how the contractor and/or consultant intends to bill.

Note: For the payment requisitions to be approved by the owner; all appropriate back up documents must be included with the Payment Requisition and shall be in agreement with the payment requisition request. Back up other than what is described above, may be required by the owner and/or lender. When requested, this additional information will need to be provided.

2. **Timeliness** - Contractors and/or Consultants must ensure that pay requisitions are submitted and stamped received by the owner by the 20th day of the month (**cut off date**). Missing the cut off date will likely delay payment.

3. **Accuracy** - Contractors and/or Consultants have the responsibility to confirm each payment requisition is complete and mathematically accurate. The number of payment requisitions received precludes the owner's staff from verifying the accuracy of each requisition upon receipt. Requisitions that are found to have significant errors or are incomplete will be returned and as a result may not make the construction draw for that month. The accuracy of the requisition is a sole responsibility of the contractor and/or consultant submitting the requisition. Those contractors and/or consultants who properly prepare and submit a complete payment requisition should not have their payments delayed to accommodate those that fail to submit an accurate and/or complete payment requisition. The owner's staff is available to train contractors and/or consultants in the proper way to complete the payment requisition, but this training must be requested well in advance of the payment submission cut off date.

4. **Change Orders** - Ensure the payment requisition does not include change orders unless they have been fully processed and approved (signed by all parties) by the 20th day of the month that the payment application is being submitted.

- All supporting documentation should be included and agree with the change order; extraneous and conflicting information should be removed.

APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702

PAGE 1 of 2 PAGES

TO OWNER: PROJECT:

APPLICATION NO:

Distribution to:
 OWNER
 ARCHITECT
 CONTRACTOR
 CONSULTANT

FROM CONTRACTOR: VIA:

PERIOD TO:

PROJECT NO:

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment as shown below, in connection with the Contract, Communication Sheet, AIA Document G703, is attached

The undersigned Contractor certifies true to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due

1. ORIGINAL CONTRACT SUM	\$0.00
2. Net Change by Change Order	\$0.00
3. CONTRACT SUM TO DATE (Line 1 + 2)	\$0.00
4. TOTAL COMPLETED & STORED TO DATE (Column F on G703)	\$0.00

5. RETAINAGE:	
a. 0% of Completed Work (Column D on G703)	\$0.00
b. 0% of Stored Material (Column E on G703)	\$0.00
Total Retainage (Lines 5a + 5b or 5c)	\$0.00

Total Amount on G701	\$0.00
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)	\$0.00

7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (if one is from prior Certificate)	\$0.00
8. CURRENT PAYMENT DUE	\$0.00
9. BALANCE TO FINISH INCLUDING RETAINAGE (Line 6 Less Line 7)	\$0.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved	\$0.00	\$0.00
Total approved this Month	\$0.00	\$0.00
TOTALS	\$0.00	\$0.00
NET CHANGES by Change Order	\$0.00	\$0.00

CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED

AMOUNT CERTIFIED \$ \$0.00

(Each explanation if amount certified differs from the amount applied, Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)
 P.C. Havest Inc.
 By: _____ Date: _____

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 NEW YORK AVE., N.W., WASHINGTON, DC 20005-2029

Users may obtain validation of this document by requesting a completed AIA Document D401 - Certification of Documents' Authenticity from the Licensee.

CONTINUATION SHEET

DOCUMENT G703

APPLICATION AND CERTIFICATE FOR PAYMENT, containing Contractor's signed Certification is attached. In the tabulations below, amounts are stated to the nearest dollar. Use Column I on Contracts where variable retainage for line items may apply									
APPLICATION NUMBER: _____									
APPLICATION DATE: _____									
PERIOD TO: _____									
ARCHITECT'S PROJECT NO: _____									
A	B	C	D	E	F	G		4/25/2006	I
ITEM NO	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED FROM PREVIOUS APPLICATION (D + E)	WORK COMPLETED THIS PERIOD	MATERIALS PRESENTLY STORED (NOT IN DORE)	TOTAL COMPLETED AND STORED TO DATE (D + E + F)	% (G + C)	BALANCE TO FINISH (C - G)	RETAINAGE
	Summary								
SHEET TOTALS		0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00

2. Reports, Correspondence and Communications

- Tracking - Although Phase 1 of the Hawaii PPV housing project has used Expedition as a means to track and share information between the Design-Builder and the Contractors, the owner (HMC, LLC) has decided to use an information management system called "Buzzsaw". Buzzsaw was used extensively in the tracking and management of information during the development stage of the Hawaii PPV phase 2 and 3 and has proven to be an effective means to manage information. Although not as focused on construction as Expedition, Buzzsaw is capable of being programmed to support the basic information management needs of a construction manager. Therefore the Construction Manager (FC Hawaii-CM, LLC) is in the process of flow charting key processes and working with programmers to have Buzzsaw set up to support our specific needs. Since this effort is in its infancy we will be going through a learning curve.
- Where to find information - Buzzsaw is the data management tool the Construction Manager (CM) will be using to post all essential information related to the project. Items such as plans, project manual, soils reports, environmental reports, boundary surveys, schedules, and other project information will be posted to Buzzsaw and contractors will be provided access to Buzzsaw for the information relative to their project and will not have access to projects or information not germane to the work they are accomplishing. It is anticipated that most, if not all correspondence that is passed between the contractor and the CM will occur via Buzzsaw. It is expected that many documents such as letters will be transmitted in a pdf format to preserve their integrity within the electronic format.
- Timely and Accurate Information Exchange - To be successful it is imperative that the Contractor and the CM maintain open and honest lines of communication. It is imperative that decisions be documented in writing. If email is used to communicate key contractual issues it is imperative that the appropriate people in the respective chains-of-command are copied and all such emails are properly presented within the appropriate folder within Buzzsaw.
- Uses for Buzzsaw - Buzzsaw will be used to track change proposals, change orders, RFIs, submittals, schedules, reports, correspondence and other contract related forms of communication. The ability of individuals to view and/or change the contents in a Buzzsaw folder will be based on need to know and need to update

- Owner's Preconstruction Conference - A preconstruction conference will be scheduled at least 10 days prior to starting construction at a time convenient to the Owner, Government and the Contractor. The Purpose of the Owner Preconstruction Conference is to interface with various government entities to ensure that all aspects of the construction effort are properly coordinated with and understood by all. Appropriate attendees included: Federal Fire, the responsible police force, the responsible utilities department, the NAVFAC PAC PPV Manager, other interested government entities, the FCRM community representative, the General Contractor and various Owner and Construction Manager representatives. Agenda items should include the following:
 - a. An overview of the project to include the scope of the work, schedule, phasing, and related aspects of the project
 - b. Designation of responsible personnel and their authority
 - c. Review of the Disruption Avoidance Plan to address:
 - i. Parking
 - ii. Working hours
 - iii. Use of routes
 - iv. Fire hydrants
 - v. Environmental controls
 - vi. Job site cleanliness
 - vii. Use of spaces outside the project perimeter
 - viii. Passes
 - d. Utilities connections and outage procedures
 - e. Use of the premises as outlined in the Ground Lease
 - f. Natural Resources, Environmental, Historic and Archaeological Issues

- Construction Managers Preconstruction Conference - A CM preconstruction conference will be scheduled to review administrative procedures at a time convenient to the Contractor and the Construction Manager, but no later than 5 days prior to starting the construction. The meeting should review procedures, responsibilities and personnel assignments. Attendees should include the Construction Manager; The Contractor and its superintendent; major subcontractors, manufacturers; suppliers; consultants and any other concerned parties. All participants should be familiar with the Project and authorized to conclude matters relating to the Work. Agenda items should include a review of the project procedures manual to include:
 - a. Review of the construction schedule
 - b. Project Phasing
 - c. Critical sequencing of the work under the contract and work under others working on the project
 - d. Designation of responsible personnel
 - e. Procedures for processing field decisions and Change Orders
 - f. Procedures for processing Requisitions for Payment

- g. Distribution of the Contract Documents
- h. Submittal Procedures
- i. Preparation of Record Documents
- j. Responsibility for temporary facilities and controls
- k. Job site security
- l. Parking
- m. Office, work and storage areas
- n. Project site cleaning
- o. Working hours
- p. Use of Buzzsaw
- q.

- Owner/Architect/Contractor (OAC) meetings - An essential part of communications during the execution of the project is having a progress meeting to discuss issues that must be aired in order to avoid potential delays or other adverse impacts to the project. The Weekly OAC meetings are essential to achieving this objective. Attendees to the weekly OAC should be similar to those at the preconstruction conference. Attendees should be encouraged to use this progress meeting as a means to resolve conflicts and provide information essential to ensuring the project stays on schedule. Issues such as sequence of operations, status of submittals, deliveries, off-site fabrication, access, site utilization, temporary facilities and controls, work hours, progress cleaning, quality and work standards, change orders, safety, and documentation of information for payments requisitions. An agenda should be prepared for each OAC meeting in an effort to ensure that key points are addressed. At the conclusion of the meeting, minutes should be prepared and distributed to all attendees and all that should have been present in a timely manner. This can be accomplished by posting on Buzzsaw. The OAC provides the opportunity to update the schedule on a weekly basis.

3. Disruption Avoidance Planning

Prior to the initial start of work or the start of a new phase of work in a neighborhood undergoing demolition/rebuilding or major renovations, a Disruption Avoidance Plan (DAP) will be prepared by the Construction Manager and Site Contractor. The purpose of the plan is to outline guidance with respect to operations at the job site to avoid conflicts with the residents or adverse impacts to other operations in the area. The plan will be communicated to Forest City Residential Management (FCRM), the owner, applicable service providers such as fire, police, trash collection, EMS, etc, and all contractors/subcontractors working at the site. FCRM will communicate the contents of the plan to the residents. The DAP will include specific information relative to the following:

- Worker and Resident Parking
- Contractor designated lay down and office support areas
- Port-a-Potty and worker change areas
- Safe routes for transiting near the site
- Traffic and Equipment Movement Plans
 - Access and Egress approved route maps
 - Approved on site haul routes
 - Location of signage and barricades
 - Traffic signage plan for the completed work
 - Clearing and Grubbing Plan
 - Approved Phase Progress Schedule
 - Proposed road closures and traffic rerouting plans
- Site specific restrictions or concerns
- Work hours
- Utility disruption plans
- Perimeter Dust Fence map w/gates and hydrants
- Internal fences for dust control/security

The above list is not all inclusive and shall contain such other items as required to ensure effective communication of what will be happening at the site. The Contractor is required to cooperate with the assigned Project Manager in the preparation of this plan. In addition, General Contractors are required to ensure that all subcontractors, sub-subcontractors and material providers that will be working at the site are fully aware of and comply with the provisions included in the Disruption Avoidance Plan. In addition to the specifics outlined in the DAP, General Contractors shall ensure that the following general requirements are adhered to at all times:

Big Picture Requirements for all Contractors

In order to avoid disruptions to residents and to preclude adverse impacts to the construction effort, contractors are reminded of FC Hawaii-CM, LLC's specific concerns, and shall ensure the following areas receive the appropriate level of management attention at all times:

- Debris Removal - Contractors are required to maintain a worksite that promotes the safety and well being of their workers. At the conclusion of each work day, project work areas shall be cleaned and debris shall be properly disposed of in dumpsters. More frequent cleanup should be accomplished as required to promote safety, professionalism and the efficiency of efforts.
- Dust Control - The perimeter of all construction sites shall be encompassed with fences and gates of the appropriate construction and height to contain fugitive dust on the site. Within the confines of the project, all contractors shall take appropriate measures to minimize the generation of airborne dust resulting from the actions of their workers. This action will enhance the safety of the workers and eliminate potential environmental consequences resulting from fugitive dust. Efforts shall continue throughout the duration of the activities that have the potential to generate fugitive dust and shall include as a minimum the application of water by water trucks, hoses, sprinklers and other means, as appropriate, for the work-in-progress. In lieu of watering, the contractor may choose to cover piles of construction debris, fill material and other items to control or contain airborne dust. If the respective contractor has exposed soil that is subject to creating windborne dust, efforts shall be undertaken to control the dust at all times on the site regardless if work is underway or no activity is being undertaken.
- Material Delivery - Contractors are required to deliver material to the site using designated roads and gates only. **Exit from sites will only be allowed via gates that have proper Best Management Practices in place.** Long term material storage will be coordinated with Construction Manager's Project Manager (PM) or Field Manager (FM); material will be placed in approved contractor lay down areas. Materials in support of ongoing construction efforts shall be placed as approved by the PM/FM with the intent to minimize disruptions to other contractors.
- Traffic Rerouting and Control - The PM/FM will coordinate traffic routes in advance with prime contractors and provide a written route plan with pertinent load limits, speed limits and related information so the prime contractor can properly advise subs. The PM/FM will review and

approve Prime Contractor traffic management plans when construction efforts are expected to disrupt traffic flow on public streets and/or construction routes. Plans will be submitted in sufficient time to ensure notification of the affected parties. (10 days notice for streets outside the project fence and 48 hours notice for routes within the construction site)

- Noise Control - Contractors are to ensure all equipment has proper muffler systems. Contractors shall ensure equipment startups do not occur prior to the established work hours. Non-construction related noises, such as car stereos, horns, etc. will not be allowed.
- Work Hours - Work will be performed between 6:30 am and 5:00 pm weekdays. Advance written notification to work overtime and on weekends will be required by the contractor. Submit requests to the PM/FM and they will advise FCRM so they may inform the residents.
- Utilities Interruptions - Contractors shall provide the PM/FM with at least 10 days written, advance notice of any plans to disrupt utility services. Unexpected, disruptions resulting from construction activity shall be brought to the attention of the FM immediately to facilitate restoration and notifications. The PM/FM will notify FCRM so that they can advise affected residents.
- Site Access Control- All construction field sites will be fully enclosed with a dust control fence with gates. Access to the sites will be strictly enforced.
- Security - When the site is not occupied all gates will be secured. When shut down, project sites may be monitored by personnel and video surveillance cameras. Contractors are responsible for security of their materials, equipment, tools and work not accepted. Fence lines will be checked daily to ensure their integrity.
- Worker & Resident Parking Issues - Workers will park in designated areas on the construction site only; residents shall not park in front of the construction gates, or on construction sites. Blocking driveways (public or private) is prohibited. The PM/FM will identify approved parking areas on maps for workers.
- Inform Residents of Construction Progress - FC Hawaii-CM, LLC will provide FCRM with neighborhood graphic plans to inform the residents of construction fence locations, construction traffic patterns and permitted construction vehicle parking areas.
- Protect the neighborhood - The contractor shall take the necessary measures to avoid damage to neighborhood property such as trees, shrubs, fences, manholes, fire hydrants, and trash containers. Any

damage shall be reported to the PM/FM and the safety manager immediately.

4. Tree Preservation Planning

Tree preservation is an important aspect of the site development plan for each site. Trees enhance the character of the neighborhood and are considered a critical asset for the neighborhood that must be protected and respected. Appropriate efforts shall be made to preserve trees in place or to relocate them to a nursery or within the site for future use. Tree preservation and relocation efforts will be coordinated by the Project Manager (PM) or Field Manager (FM) with the MCBH Environmental Department, Natural Resources Staff. at Marine Corps sites and with Commander Navy Region Hawaii Staff for Navy sites. For Marine Corps Base Hawaii (MCBH), the Integrated Natural Resources Management Plan (INRMP) provides federal requirements with respect to preferential treatment of indigenous plants in installation landscapes; specific lists of preferred and prohibited grounds covers pertinent to unique conditions on MCBH properties. The MCBH INRMP also refers to a more detailed 2002 Master Landscaping Study for MCBH which shall be used as an additional reference. The Construction Manager, FC Hawaii-CM, LLC and its contractors will follow the current version of MCBH's INRMP and the above referenced study as the definitive guidance followed in development of the landscaping plan for the various Marine housing areas as well as professional advice from certified landscape architects having demonstrated familiarity with the local ecology of Hawaii. The following procedure shall be followed to ensure proper tree preservation:

In advance of initiating work in a neighborhood or the start of a follow on phase, the initial tree preservation, removal and relocation plan must be reviewed on site to ensure that the final version of the plan correlates with the tree plan. An onsite walk of the neighborhood or phase will be accomplished with the appropriate players to include: the civil designer, landscape designer, the landscaper, the designated arborist, the appropriate MCBH Natural Resources staff member or CNRH staff member, the Construction Manager and the site contractor. At this walk through of the site, the preliminary plan for each tree must be reviewed and verified by the landscaper, the arborist and civil designer. Questions to be answered include:

- Can more trees be saved?
- Is a tree proposed for saving a desired species, healthy and well formed?
- Is a tree proposed for removal a specimen that should be saved?
- Can a good specimen proposed for removal because of its location be saved and relocated economically?
- What effect will the cut and fill plan have on a specific tree?

- Can the cut and fill be modified to accommodate the saving of a tree?
- Can a tree be replanted at the same site after cut and fill?
- Can a tree in the way have its branches trimmed or have its roots pruned to allow construction to proceed as planned, while at the same time maintaining the symmetry and health of the tree?
- Can the design be altered slightly to save trees that are good specimens?

At this walk through the plan to protect trees with barriers from equipment and construction damage, root pruning and branch trimming must be reviewed and addressed for each tree.

Where space allows, a nursery may be established and maintained by the landscaper at each project site. The intent is to preserve trees for reuse in the neighborhood once construction is complete.

The PM/FM will ensure that construction forces and all Subcontractors respect the trees space to ensure that trees are not damaged during the construction efforts. The landscaper will be responsible for the maintenance of the barriers and other protective measures placed around trees. Contractors that damage barriers or trees will be back charged for the cost to repair/replace barriers and the cost to replace trees lost do to negligence of the contractor.

5. Ground Lease Compliance

The Construction Manager, FC Hawaii-CM, LLC is responsible to ensure that Contractors, Subcontractors, Sub-Subcontractors, consultants, designers and other entities performing and/or supporting work on the Project Premises under the Hawaii PPV Phases 1-3 are generally aware of the terms and conditions of the ground lease that governs the use of the government lands for PPV housing purposes. Since the ground lease is a 70 page document with nearly 150 exhibits, it is not practical to expect all entities to fully comprehend the full content and requirements of the Ground Lease. It is practical however to ensure that the entities are aware that the Ground Lease exists and to be vaguely familiar with its provision that may govern, direct or guide the efforts of those entities working on the a Hawaii Navy PPV project sites. An extract of some of the requirements in the Ground Lease is included below to provide a level of awareness of the types of requirements that the Contractor must have an awareness of to avoid adverse impacts during execution of the Project Work. If at any time, the Contractor or any other entity affiliated with the contractor has concerns about compliance with the terms of the Ground Lease, they should contact the PM/FM for the project and the Project Manager (PM)/ Field Manager (FM) can provide extensive detail with respect to the requirements of the Ground Lease and provide copies of any of its pertinent text or Exhibits. A hard copy of the Ground Lease and all exhibits will be maintained in the FC Hawaii-CM, LLC office in Building 4 at 5173 Nimitz Road, Honolulu, HI and is available to the contractor for review upon request.

The following general requirements shall be communicated to individuals working at the Hawaii Navy PPV project sites or other land covered under the terms of the Ground Lease:

- Use of Premises - The project site premises shall be used solely for demolition, construction, rehabilitation, renovation, operation, leasing and maintenance of residential housing projects, and for recreation and related uses necessary for or incident to such residential housing projects. The use of the Premises and the Development permitted pursuant to the Ground Lease may not be modified in any material respect without the prior written approval of the Construction Manager, Government and the Bondholder Representative.
- Environmental Permits - The Contractor shall be responsible for obtaining at its cost and expense any environmental permits or authorizations required for operation of its assets on premises covered under the Ground Lease (air permits, hazardous material permits, etc) This does not include the NPDES permit for the site. Copies of all permits obtained by the Contractor shall be provided to the

Construction Manager, FC Hawaii-CM, LLC. The Contractor shall be responsible for any actions, operations, claims for damages or other costs, expenses, liabilities, fines or penalties resulting in any way from generation, manufacture, presence, release, discharge, emission, spill, use, storage, handling or disposal of Environmentally Hazardous or violation of Environmental Law by the Contractor, its officers, agents employees, subcontractors, or any other invitees of any of them giving rise to civil or criminal liability or responsibility under Environmental Laws, including CERCLA, and any discharge by the Contractor that would result in a violation of the Construction Manager's NPDES permit. The Contractor shall remediate and be responsible for (including investigate, test and monitor) any such generation, manufacture, presence, release emission, spill, use, storage, handling or disposal by the Contractor to the extent required by Environmental Law which shall include taking all actions required by Environmental Law. Documentation of any such remediation, investigation, test or monitoring shall be provided to the Construction Manager (CM). The Contractor shall immediately notify the CM and provide to the CM with any notice of violation or other regulatory order from a government agency that it receives and is related to the Contractor's operations on the project Premises. The Contractor shall immediately notify the CM if a suspected area of environmental contamination is encountered by or made known to the Contractor within any portion of the project Premises.

- Utility Shut Downs - The Navy and/or its authorized representatives have the right to use and/or shut down utilities on the Project Premises, if necessary, such as water, sewer, and/or electricity during environmental investigations and response or remedial actions within the Project Premises, to the extent such is reasonably required during an emergency, environmental investigations and response or remedial actions. The Navy shall use reasonable efforts to coordinate such shut down activities with the CM and Contractors. Nothing in the Ground Lease shall obligate the Navy to compensate the CM or any contractors for any lost profits, lost opportunities, lost wages or operating expenses or other consequential damages incurred.
- Hazardous Material Management Plan - The CM has completed a Navy approved "Hazardous Materials Management Plan" for responding to Environmental Hazard, fuel and other chemical spills on the Project Premises. A copy of the plan was provided as an attachment to the Contract and can be viewed at the CM's office upon request to the PM/FM.
- Wastewater Discharge Activities - The Contractor may discharge residential discharges to the Government owned Treatment works without a permit. The Contractor agrees to coordinate with the CM and the Government all wastewater discharge activities. The Contractor

may not discharge any industrial wastewater to the sanitary sewer until a pretreatment permit has been issued to the contractor by the Government. The Contractor shall notify the CM, the Government and the appropriate regulatory agencies immediately of any spills to State waters, including storm drain systems, spills over 1000 gallons, or spills that may present a substantial threat to public health, or within 24 hours of any other unauthorized release to the sanitary sewer system, and the Contractor must implement mitigation as soon as possible.

- Radioactive Materials - The Contractor shall notify the CM of its intent (a) to possess, store, or use any licensed or licensable source or by-product materials as those terms are defined under the Atomic Energy Act and its implementation regulations; (b) to possess, use, or store radium; and (c) to possess or use any equipment producing ionizing radiation, subject to specific licensing requirements or other individual regulations, at least 60 day prior to the entry of such materials or equipment upon the Project Premises.
- Programmatic Agreements - The Contractor shall at all times comply with the programmatic agreements (PAs) between the Government and the Hawaii State Historic Preservation Officer. Copies of which are available at the CM's office for review. The PAs have been developed for the Project Premises with respect to archeological, historical, tribal, Native American and cultural resource protection and the Contractor shall not intentionally or knowingly remove or disturb or cause or permit to be removed or disturbed, any historical, archeological, architectural, tribal, Native American or other cultural artifacts, relics, remains or objects of antiquity subject to protection or regulation under any federal, state or local laws. In the event such items are discovered on the Project Premises, the Contractor shall immediately notify the CM and the Government and the Contractor shall immediately stop work in the affected immediate vicinity of such items until the Government gives the CM/Contractor timely written clearance to proceed.
- Storage Tanks - The Contractor shall not install, operate, place or cause to be placed any underground storage tanks (USTS) on the Project Premises at any time. The Contractor shall not install, operate, place or cause to be placed any above-ground storage tanks (ASTs) on the Project Premises at any time, without the prior written consent of the CM and the Government. Contractors shall comply with and implement the provisions of the CM's created and Government approved Spill Prevention, Countermeasures and Control Plan (SPCC Plan), a copy of which is appended to the Construction Contract or can be viewed at the CM's office at Building 4.
- Equipment Repair - Equipment repairs may only be performed by the Contractor on impervious areas where Hazardous substance releases can be contained (i.e. within a bermed area or an area surrounded by

absorbent pads, containment curbs, or other spill containment equipment). Hazardous Substances including oil and fuel generated during repairs and maintenance by the Contractor must not be flushed to the ground or storm drains.

- Site Excavation - While undertaking any subsurface excavation, digging, drilling, or other disturbance of the surface or soils the Contractor shall notify the CM immediately should any potentially Environmental Hazard or ordnance (bombs or munitions) be encountered by or make known to the Contractor during the work and all work shall be discontinued in the vicinity of the ordnance. Do not touch or handle the ordnance.
- Extraction of Ground Water - Contractor shall not, without the CM's prior written approval and the concurrence of the Government, install any wells or extract groundwater for any use including as a drinking water source.
- Imported Soil - The Contractor shall not ship contaminated soil that contains Environmental Hazards to the Project Premises for use on the Premises. The contractor shall provide test results to verify that soil and top soil imported to the site is free of contaminants above levels acceptable in laws and regulations for its intended use.
- Sensitive Habitats or Species - The Contractor shall not intentionally or knowingly remove, disturb, or harm or cause or permit to be removed, disturbed, or harmed, any sensitive habitats or species. In the event such items are discovered on the Project Premises, the Contractor shall immediately notify the CM and the Contractor shall immediately stop work in the affected immediate vicinity of such items until the CM gives the Contractor written notice to proceed.
- Storm Drains - The Contractor shall demolish, construct and install the storm drains for the Improvements to be renovated or constructed on the Project Premises in accordance with the Unified Facilities Criteria UFC-3-200-10N (as amended). Any plans for connection, termination or modification not set forth in the Scope of Work shall be approved by the CM and the Government.

6. Historic Preservation

- Overall Awareness – Within the Project sites of the Hawaii PPV housing project certain historic structures exist and these structures shall be referred to as “Historic Housing”. Several neighborhoods contain Historic Housing to include: Navy neighborhoods at Ford Island, Hospital Point, Hale Alii, Marine Barracks, Makalapa, Red Hill, NCTAMS, Pearl City Peninsula (Pan Am), and Marine neighborhoods at Hill Side (Kapoho), Hill Top (Heleloa) and NCO Row. Many of the Navy neighborhoods are within the Pearl Harbor National Historic Landmark and are especially sensitive areas due to their significant contribution to the historic nature of Pearl Harbor. It is important to note that the neighborhoods themselves are as important to our history as the Historic Housing units within them and the Construction Manager (CM), HC Hawaii-CM, LLC is tasked protecting these historic properties during the periods development work is ongoing.
- The Programmatic Agreements (PAs) – Both the Navy and the Marines have signed Programmatic Agreements that outline protocol to be followed in order to conduct work in the Historic Neighborhoods. The Owner and the Construction Manager are tasked to ensure that all provisions of the Programmatic. Failure to effectively comply with the requirements could be grounds for terminating the PA and the remaining work to be executed in the Historic Neighborhoods could be jeopardized. Therefore it is important that Contractors ensure that their employees, subcontractors and others performing work on their behalf on the project premises fully comprehend the importance of protecting these historic assets. A copy of both the Marine and Navy Programmatic Agreements, with all the pertinent exhibits are maintained in the CM’s office at Bldg 4, 5173 Nimitz Road, Honolulu, HI.
- State Historic Preservation Office (SHPO) – Under a Programmatic Agreement (PA) signed between the Government, the Owner, and several government and private organizations concerned with the preservation of our history, most notably the SHPO, the CM is tasked to ensure that no actions are undertaken in Historic Neighborhoods that might adversely impact the neighborhood or the Historic Homes from an historic perspective without the prior concurrence of the SHPO. Therefore, many actions to be undertaken in the Historic Neighborhoods or work to be accomplished on Historic Homes must go through a consultation process prior to commencing work. In many cases the work proposed may have to be modified to address the concerns of the Reviewing Consulting Parties.
- Archeological and Cultural Concerns – Although most of the housing neighborhoods have been disturbed by agriculture and subsequent

housing construction, the potential to impact archaeological deposits may exist. On Ford Island and within Kaneohe Bay, it is highly likely that human remains or artifacts may be found while demolition, site grading, excavation and related construction efforts are undertaken during the site development effort. **A Qualified Archaeologist will review all projects that require ground-disturbing activities.** It is the Project Manager's responsibility to ensure that this review is accomplished and a copy is provided to the Contractor prior to site work commencing at the site. In the event that the Qualified Archaeologist determines that there is a potential to encounter cultural or archaeological items, an Archeological Monitoring Plan or "Work Plan" will be prepared and submitted to the SHPO for review and consultation. In this case the PM will work with the Contractor to ensure that contractor personnel are properly trained with respect to the contents of the "Work Plan".

- Training - The Contractor will cooperate with the CM to arrange for training of all construction personnel within Historic Neighborhoods or neighborhoods determined to require a "Work Plan" for archaeological or Cultural reasons. The Qualified Archaeologist, the Qualified Preservation Professional or other knowledgeable personnel will conduct the training to ensure all personnel fully understand the issues related to protecting these historic resources. To arrange for training the Contractor should contact the CM's PM for Historic Property, Susan Voglesong at 216-7333.
- Actions if Artifacts are Found - Contractor shall not intentionally or knowingly remove or disturb or cause or permit to be removed or disturbed, any historical, archeological, architectural, tribal, Native American or other cultural artifacts, relics, remains or objects of antiquity subject to protection or regulation under any federal, state or local laws. In the event such items or human remains are discovered on the Project Premises, the Contractor shall immediately stop such ground-disturbing activities, barricade, stabilize, and protect the Archaeological Discovery from continuing ground disturbance in the immediate area and in the surrounding area to the extent further subsurface resources may reasonably be expected to be present, and shall notify the Construction Manager. The CM's PM for Historic Properties will notify the Navy and the SHPO. The Navy and its Qualified Archaeologist shall inspect the Archaeological Discovery, assess the significance and determine if further investigations are warranted. Construction may continue in the project area outside of the Archaeological Discovery.
- Exempt Activities - The Programmatic Agreements allow exempt activities, those activities that have been pre-determined to have no adverse affect on historic properties to continue after the CM's Project Manager for Historic Properties has reviewed and approved the work.

In these cases the PM for Historic Properties will give written approval to proceed. Any project that is perceived to have an adverse impact must be fully documented and submitted for consultation.

- Consultation - Consultation is the process wherein the CM must submit work that has the potential to have an adverse impact on a Historic Property to the Reviewing Consulting Parties for review and comment. This process typically includes a submission at the 25% design level, 65% design level and a package after completion that provides as-built documentation of the work performed
- Projects of Specific Concern - Some major efforts such as the construction of new housing in two neighborhoods on Ford Island, the demolition of homes in Manana (Navy), Marine Barracks and Red Hill and the conversions of duplex homes to single family homes at Makalapa are issues of particular concern to the Reviewing Consulting Parties and require additional efforts. Specific concerns with respect to these projects should be directed to the CM's Project Manager for Historic Properties, Susan Voglesong at 216-7333.

7. Crisis Management Planning

- Purpose - The purpose of Crisis Management Planning is to provide a systematic, organized approach to managing a crisis that may occur at a project site, without causing a major disruption to normal activities. The FC Hawaii-CM, LLC Crisis Management Plan is appended to the contract and shall serve as the guide to maintain the project's credibility and positive image with all of its identified audience in the face of adversity. Emergencies do not pause to allow thinking through the problem, preparation for every type of emergency most likely to happen is necessary.
- Awareness of the Crisis Management Plan - The Contractor shall ensure that onsite project management reads and is familiar with all aspects of the Crisis Management Plan. The Contractor shall ensure that all Employees, Subcontractors, Sub-subcontractors, material delivers, and others supporting the contractor's efforts at the project site are familiar with content, protocol and reporting requirements of the Crisis Management Plan.
- Accuracy of Information - Each General Contractor on a project site is responsible to maintain a current list of key contact personnel for the contractor and subcontractors. The list shall include Company, names, positions, and 24 hour contact phone numbers. This list shall be kept current at all times but will be updated no less than monthly with the Project Manager for the specific project.
- Serious Injury or Fatality - The provisions of the Crisis Management Plan shall be followed closely for any serious injury or fatality. The CM shall be notified immediately. What is important is the timely and accurate notification of the family. Close attention to the needs of the family is imperative. There should be a close dialogue between the Contractor and the CM with respect to addressing the families needs. All inquires by the press shall be directed to the Construction Manager. **Any statements to the press prior to proper review and investigation of the incident are inappropriate.** All public statements must be coordinated with the Construction Manager, Owner and the Government.
- Bomb Threat - Pranksters, political terrorists, cranks, criminal extortionists, disgruntled employees or an employee looking for a few hours off work can make bomb threats. The threat can arrive over the telephone, in the mail, by written message left in a public place, scrawled on the wall, or in person. **All threats must be taken seriously.** Contractors are responsible to ensure onsite personnel

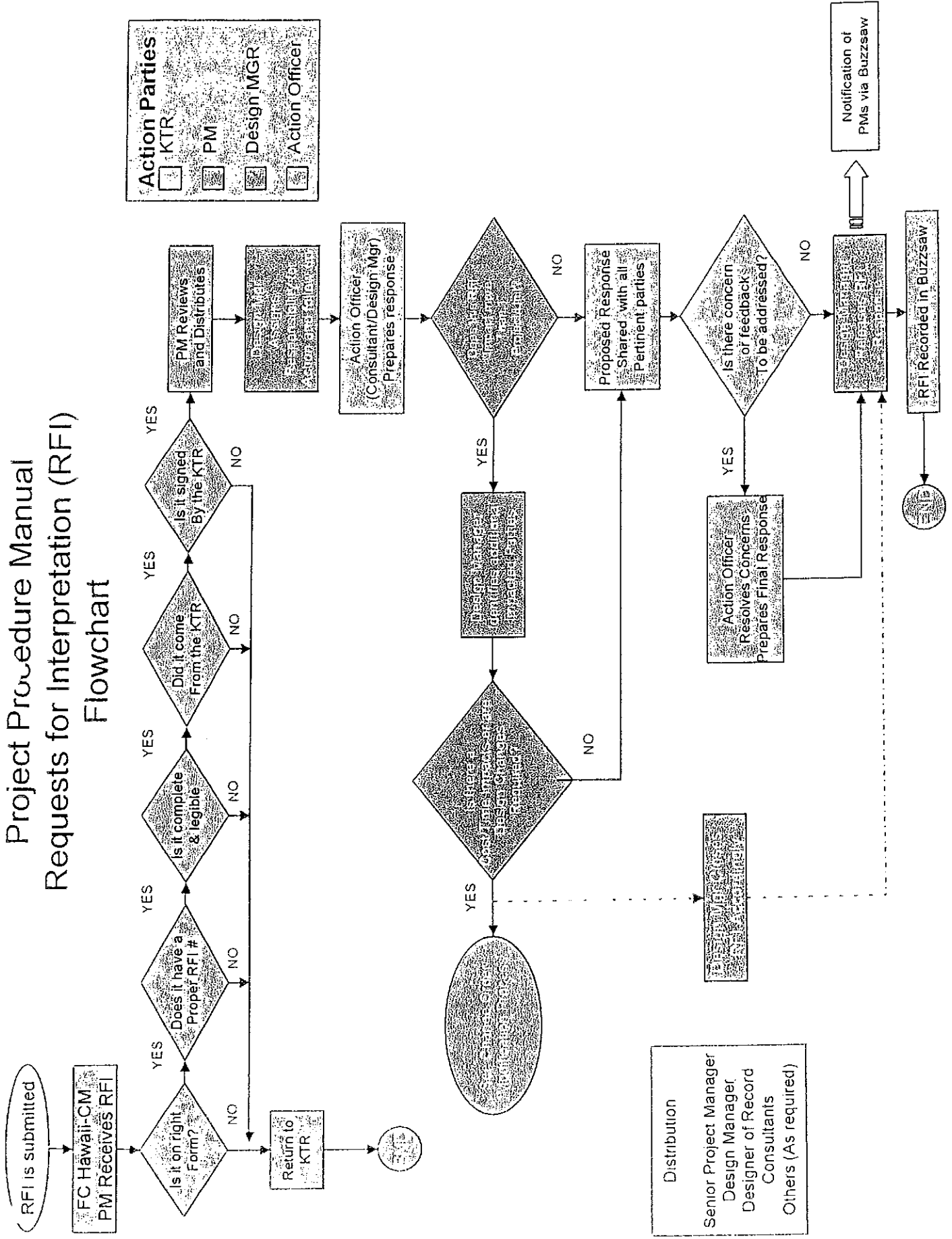
employed or contracted to support their efforts are familiar with the actions outlined in the Crisis Management Plan with respect to responding to a bomb threat.

- Hurricanes - The key to success in a hurricane is preparation. Typically there is several days notice prior to the arrival of a Hurricane. It is imperative that, especially during hurricane season, job sites remain clean and orderly to minimize the effort required to prepare for an impending hurricane. Missile hazards from flying debris are a major source of damage during hurricanes. The Crisis Management Plan has specific responsibilities the contractor must perform in the event of a hurricane. Close adherence with these requirements is essential. Much of the work on the job site has not been accepted by the Construction Manager and is therefore the responsibility of the Contractor.
- Hazardous Material Spills - The Contractor is required to maintain, on site appropriate materials to deal with hazardous material spills that could result based on the use of the hazardous material during the construction effort. Ensuring that all employees, subcontractors and others supporting the efforts of the contractor know the location of these materials, how or when to employ them to address a spill, have the appropriate HAZCOM awareness training, and have access to the appropriate MSDS sheets for the materials is an ongoing responsibility of the Contractor.
- News Media - With respect to a crisis that may occur at any of the Hawaii PPV neighborhoods, the owner (Ohana Military Communities) shall be the only entity authorized to disseminate information to the news media or outside world. It is very important that we "speak with one voice". Keep in mind that no information should be released without being approved by upper management and legal counsel. If asked, refer media requests to the designated Ohana Military Communities spokesperson. Discussions with the media require careful thought and preparation.
- Job Site Requirements - The Contractor shall maintain at the job site a list of emergency response numbers in a visible location and ensure that all personnel are aware of where to find the numbers. In addition, a route map to the nearest hospital should be posted in a visible location.

8. Requests for Interpretation (RFI)

- Definition - A request for interpretation (RFI) is a document submitted by the Contractor requesting clarification of a portion of the Contract Documents.
- Process - Specifications Section 01340 and the attached flow chart outline the process for submitting an RFI. It is imperative that the Contractor follow the process in order to ensure that the RFI gets processed in a timely and efficient manner. Buzzsaw will be used to track all RFIs.

Project Procedure Manual Requests for Interpretation (RFI) Flowchart



9. Submittal Procedures

- Definition - A submittal is a document submitted to the Construction Manager for review and/or approval and may consist of: shop drawings, product data, samples and other administrative items
- Process - Specifications Section 01330 and the attached flow chart outline the procedures for processing submittals. The Specification Section shall take precedence if there is a conflict between the specs and the flow chart. It is imperative that the Contractor follow the process in order to ensure that all submittals are properly managed. The Contractor's QC organization shall be responsible for reviewing and certifying that submittals are in compliance with the contract requirements. The approval authority on submittals is the QC Manager unless other wise specified for the specific submittal. Buzzsaw will be used at the means to maintain a submittal register.
- Community Centers - For all life safety submittals an additional hardcopy of the submittal is required. This submittal will be reviewed by the owner's loss prevention group and the owner's insurance carrier

10. Schedules

- Master Schedule - Phase 2 and 3 of the Navy PPV project consists of 23 different construction efforts that will be carried out in more than 30 neighborhoods. Many of these projects are interrelated and must be accomplished on a tight time frame. To ensure that all the projects can be completed on time, the Construction Manager will maintain a master schedule using Primavera P3. This master schedule will be continuously updated as new information becomes available. This master schedule is shared with the Owner and the Government and is closely monitored by both. It is imperative that the Construction Manager is proactive in addressing any issues that have the potential to adversely impact the completion of any of the projects, especially where that delay could adversely impact the completion of follow on projects.
- Project Schedule - Each Contactor will be required to provide prior to the start of a project a CPM project schedule. This schedule must be in sufficient detail to allow the Construction Manager to determine that the Contractor has fully addressed all the critical elements of the project and is capable of performing the work within the timelines established for the project.
- Schedule Coordination - On projects where multiple Contractors are performing work, it is essential that the various Contractors coordinate their efforts to ensure that there are no conflicts. To avoid the conflicts, the various contractor schedules must be coordinated and integrated. Contractors are responsible to coordinate with other Contractors to ensure that conflicts are avoided. Were conflicts cannot be resolved between Contractors, the Project Manager will be involved to resolve the differences.
- Liquidated Damages - Many of the individual projects in Navy PPV phases 2 and 3 have liquidated damages associated with them. In the interest of avoiding the assessment of liquidated damages, Contractors must ensure that any potential delays are properly communicated to the Construction Manager in a timely manner so that means to avoid delay can be determined. Proper documentation of excusable delays is essential in the effort to avoid the payment of liquidated damages. The timely completion of all work is a paramount concern of the Owner and the Government therefore any potential delay will be closely scrutinized.
- Payment Requisitions - Each monthly payment requisition must be accompanied by an updated CPM schedule. If the contractor fails to provide the updated CPM schedule with the payment requisition, the requisition will be considered incomplete and will not be processed.

- Recovery Schedule - If the contractor is behind schedule based upon the original approved CPM schedule the contractor shall provide a recovery schedule. This schedule will provide details as to how the contractor proposes to get back on schedule.

11. Change Order/Modification Procedures

Definition - A Change Order is a written instrument issued after execution of an Agreement signed by the Construction Manager and the General Contractor, stating their agreement upon all of the following:

- The scope of the change in the Work;
- The amount of the adjustment to the Contract Price;
- The extent of the adjustment to the Contract time(s).

A contract modification or change order can result from many situations, including actual field conditions differing from those described in contract documents, design changes, customer and/or owner requests and construction change directives. All changes in the Work authorized by applicable Change Order shall be performed under the applicable conditions of the Contract Documents. CM and GC shall negotiate in good faith and as expeditiously as possible the appropriate adjustments for such changes. All parties should strive to keep contract modifications to a minimum and avoid conflicts over minor changes.

Process -The attached flowchart outlines the process flow for a contract modification. Upon notification of a potential change to the contract by the owner, contractor, or design agent, the CM's project manager shall notify the CM's design manager for evaluation and technical assistance. If time and/or money are required to execute the change, the CM will notify the Owner and obtain approval of the change (dependent on delegated authority from the Owner to the CM). Upon approval by the Owner, the PM will issue a Proposal Request (PR) or a Construction Change Directive (CCD) to the contractor. Upon receipt of the PR from the contractor, negotiations will follow and a change order will be issued by the CM to the Contractor for signature. Upon signature by the CM or Owner, a conformed copy of the modification will be distributed to all concerned parties.

Buzzsaw will be used at the means to notify and circulate information pertaining to contract modifications.

Project Procedures Manual
Change Order and
Modification
Flowchart

Draft: 10 Dec 06

Action Initiated by
Design Change
Owner Directed
RFI
Unforeseen Condition
Other

