MEMORANDUM

TO: Randolph G. Moore  
Chair, Board of Regents

VIA: David Lassner  
President

VIA: Jan Gouveia  
Vice President for Administration

VIA: Robert Bley-Vroman  
Chancellor

VIA: Kathleen Cutshaw  
Vice Chancellor for Administration, Finance and Operations

VIA: Stephen Meder, Interim Associate Vice Chancellor, Office of Planning and Facilities

VIA: Hugh McKenzie, Interim Director, Facilities Management Office

SUBJECT: Coconut Island: Recommend approval of Construction Management Service contract for Marine Laboratory Buildings 1 & 2, Interior Renovation and General Repairs. (Project No. UHM 13-308)

SPECIFIC ACTION REQUESTED:

In accordance with Board of Regents' Policies Section 8-1(b), the Planning and Facilities Committee is requested to recommend to the full Board approval of the construction management service contract for the interior renovation and general repairs of the Marine Laboratory Buildings 1 & 2.

COST:

$1,400,000.00
RECOMMENDED EFFECTIVE DATE:

Upon Board of Regents’ approval.

BACKGROUND:

The Marine Laboratory Buildings 1 & 2 was built in 1962. The scope of work for this project includes: renovating the building interior to provide state of the art research and teaching laboratories; general repairs of the building exterior walls, doors and windows; upgrade utilities; upgrade structure to comply with building codes comparable to current building codes; comply with ADA accessibility standards; hazmat abatement; upgrade existing mechanical system to be sustainable; and renovate the buildings to be sustainable. The construction project received Board of Regents approval in April, 2015. Construction cost is estimated at $14,000,000.00.

Projects on Coconut Island are unique and present special challenges that no other construction site possess. Accessibility to the island is a tremendous factor that needs to be addressed in every activity, e.g. materials & equipment ordering and packing, scheduling and delivering to the island, current & tide charts, labor production, performance and travel time, etc. Loss of production due to rain outs, island is so remote; inability to relocate work force to another project: loss of whole day worth of work/production.

EPA and HIOSH requirements and regulations are at its highest priority when the project site has delicate environmental and ecological conditions as Coconut Island. Preparation prior to the start of work, adherence during work and the insurance of proper protection throughout the nonworking hours; generates continuous monitoring.

The protection of the environment and the compliance to health & safety is as much if not more critical than the construction itself. Providing a construction manager on this project assures that the contractor will ensure that all requirements & regulations are complied with. The construction manager will also assure the compliance to the plans and specifications.

The Construction Management Office solicits outside construction management services to help relieve the under staffed and over loaded in-house construction managers of projects. At this present time our office has only three construction managers. By the end of July we will be down to two. It is because of this shortage
of in-house resources, we are requesting assistance from the outside. We are assigned to five or more projects at any given time.

Island location factored in and influenced the decision for outside construction management services. To assign one of our in-house construction managers for this project would not be practical and the most efficient use of force. The distance of travel to Coconut Island eliminates any possibilities to be assigned any other project on the Manoa campus. We cannot afford to utilize one of our in-house construction managers to be assigned to only two projects.

Having one construction management company providing service on multiple projects on Coconut Island will provide consistency, efficiency and cost effectiveness. Construction managing multiple projects will provide the users one point of contact. Communication, coordination, scheduling and control of the projects will be consistent. Cooperation and constructability is established with the absence of competition. Construction manager will have control of multiple projects eliminating contractor's rights to area, priorities, claims and preferences. Combining the projects provides a more defined and productive package that makes for a tighter cost. Because of all the factors stated, we would have a better cost, timelier schedule and higher quality of product.

Calculating construction management fees are compiled and compared using several cost estimating programs. Projects for work $1,000,000 and over, has a percentage of 6 (6%). We increase the percentage due to the difficulties with the island location, tides, weather, etc. to 10% (increase due to difficulties).

Project cost for Marine Laboratory Buildings 1 & 2, Renovation and General Repairs estimated cost is $14,000,000.00 times 10% = $1,400,000.00.

The risk of not having a construction manager present jeopardizes the proper execution of the total project. The controlling of time, adherence to scope of work, maintaining and managing the cost, and the compliance to quality will not be executed.

ACTION RECOMMENDED:

It is recommended that the Planning and Facilities Committee recommend to the full Board approval of a construction management contract for the Coconut Island, Marine Laboratory Buildings 1 & 2, Interior Renovation and General Repairs.

c: Executive Administrator and Secretary of the Board Quinn