MEMORANDUM

TO: INTERESTED BIDDERS
FROM: Steve Wiley
Senior Preconstruction/Project Manager

DATE: June 3, 2016

SUBJECT: Shawn Jenkins Children’s Hospital and Women’s Pavilion
EST # E2351

Robins & Morton, Cumming and Brownstone (R&M/C/B), Construction Management Team, will be accepting bids from subcontractors and vendors for the bid packages noted below on the above referenced project on **July 8, 2016**. Bids should be submitted electronically to swiley@robinsmorton.com, mcampbell@ccorpusa.com, and bteachey@bstonegroup.com by 3:00 p.m. (ET).

**BID PACKAGES**

| 1B – Transportation & Logistics     | 1C – Final & Window Cleaning  |
| 1D – Buck Hoist                     | 3A – Concrete                 |
| 4A- Brick Unit Masonry              | 4B – Concrete Unit Masonry    |
| 5B – Medical Equipment Supports     | 5C – OR Med Equipment Supports|
| 6A – General Works                  | 6B – Casework                 |
| 7A – Waterproofing/Caulking         | 7B – Fireproofing              |
| 7C – Roofing                        | 7D – Firestopping             |
| 8B – ICU/CCU Entrances              | 8C – Interior Glass           |
| 8D – Glass Railing                  | 8E – Overhead Doors           |
| 8F – Elevator Smoke Containment Doors| 8G – Flood Protection         |
| 9 – Metal Framing & Gypsum board    | 9A – Carpet & Soft Flooring   |
| 9B – Hard Tile                      | 9C – Epoxy Terrazzo           |
| 9D – Resinous Flooring              | 9E – Acoustical Ceilings      |
| 9F – Painting                       | 9G – Fabric Wrapped Panels    |
| 9H – Plaster                        | 10A – Specialties             |
| 10B – Folding Panel Partitions      | 10C – Metal Lockers           |
| 11A – Dock Equipment                | 11B – Window Washing Equipment|
| 11C – Food Service Equipment        | 12A – Blinds                  |
| 12B – Pharmacy Casework             | 13A – Radiation Protection    |
| 13B – MRI Radio Frequency Shielding | 14A – Elevators               |
| 14B – Pneumatic Tube System         | 14C – Chutes                  |
| 27A – Low Voltage Systems           | 32A – General Sitework        |
| 32B – Landscaping & Irrigation      | 32C – Termite Control         |
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PLANS AND SPECIFICATIONS MAY BE EXAMINED AT THE FOLLOWING LOCATIONS:

Robins & Morton, Cumming, Brownstone Project Office
3 Charleston Center Drive
Charleston, SC 29401

ISqFt Website: https://app.isqft.com/#/project/6025822

FTP Site: https://ftp.robinsmorton.net/
FTP site login – E2351_Guest
FTP site password – g4Ujf6wi

QUESTIONS SHOULD BE DIRECTED TO THE FOLLOWING:

Robins & Morton, Steve Wiley swiley@robinsmorton.com 207-213-0873
Cumming Matt Campbell mcampbell@ccorpusa.com 843-513-2258
Brownstone Bobby Teachey bteachey@bstonegroup.com 704.239.9429

RFP SCHEDULE OF EVENTS

• Pre-Bid Meeting 6/16/16 at 2:00 PM EST
• Final Day for Pre-Bid RFI’s 6/24/16
• Bids Due Date 7/8/16 at 3:00 PM EST
• Scope Review 7/8/16-7/19/16
• Notification of Award 7/19/16-8/5/16

PREBID MEETING

A non-mandatory pre-bid meeting is scheduled for June 16, 2016 at 2:00 PM EST at the MUSC Facilities Warehouse Conference Room, 230 Albemarle Rd, Charleston, SC 29407

SUBSTITUTIONS

You should bid this job according to the plans and specifications which have been provided. Substitutions for Cause are allowed by Section 01 25 00 – Substitution Procedures. Substitutions for Cause should be noted with your bid and include the substitution request form noted in Section 01 25 00.

Voluntary alternates, methods and substitutions, which could materially reduce the cost of construction, are encouraged and should be brought to our attention; however, they should be specifically identified and quoted separately from your “base bid”.
Any proposed exceptions to the requirements contained in this memorandum or the bid packages should be noted with your bid.

Verbal quotations will not be accepted. Your bid will not be considered unless it is submitted electronically as noted above. The Owner and R&M/C/B reserves the right to reject any and all bids.

REQUIREMENTS FOR INTERESTED BIDDERS

Like all general contractors & construction managers, R&M/C/B depends upon its business partners in order to meet the demands of our clients. As a general contractor/construction manager, we ask each of our subcontractors to make certain commitments regarding safety, quality, timeliness, and costs. We do this through a detailed contract, clearly defined scope of work, insurance requirements, bonding requirements, and safety requirements.

Please know that we expect you to consider your costs and any time implications associated with managing your work to meet these requirements. We do not want our project to present any surprises. We find that a clear understanding at the start of any engagement leads to fewer problems and want to be sure that we are being clear about our expectations. Of course, this brief memo is no substitute for the written agreements and does not detail every single requirement; instead, this memo is designed to offer some highlights of the items that we find may prove to be challenges once we are all ready to get to work.

A. FHA 242 HUD Requirements

1. The labor standards included in the Supplementary General Conditions (HUD Form 2554) which include the Copeland Act, Anti-kickback Regulations, Davis Bacon Act, the Assurance of Non-Discrimination in contract employment, and Health and Safety are requirements of all Subcontracts.
2. Wage Decision. SC 160030 Dated 01/08/2016 is the current wage rate for the project.
3. Liquidated Damages are a requirement of HUD FHA 242 Projects. It is anticipated that the liquidated damages on this project will be $21,150 per day.

B. SUBCONTRACTOR PREQUALIFICATION REQUIREMENTS

R&M/C/B will prequalify subcontractors before awarding any work. In order to be considered a responsible subcontractor, you need to give us some basic information concerning your safety history, past project quality references, and financial capability.

Subcontractors with bids over $500,000 in value are required to complete Form OE 40 Sub/Vendor Qualification Form (over 500K) included in the bid solicitation.

Subcontractors with bids under $500,000 in value are required to complete Form OE 40 Sub Qualification Form (under 500K) included in the bid solicitation.
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Financial Capabilities

All too often we find that subcontractors fail because they have too much work, not because they do not have enough work. Our qualification process is one way that we can help you on this project. R&M/C/B utilizes Textura PQM (www.texturacorp.com) for the final stage of the qualification process. Subcontractors will be contacted after submission of bids to begin this final step by the R&M/C/B team if applicable. If your proposal amount exceeds $150,000, you will be requested via Textura PQM to submit (confidentially) your most recent financial statements (Income Statement, Balance Sheet, Cash Flows, and a current Work In Progress report) to our finance department. If your financial statements are more than six months old, then we will need a quarterly statement or some update to bring the financial information current for our review. Of course, if we already have financial information that is less than six months old for your company, then we do not need you to submit this information again for this bid. Please know that we are committed to treating your confidential financial information just the same as we treat our own. This information is used only for prequalification purposes and will not be disclosed to any third parties.

Safety Qualifications

We are committed to providing a safe place to work and look to populate our projects with subcontractors who share our values concerning the safety of the field workforce. We evaluate subcontractor safety closely when making decisions about which subcontractors present the best value on our projects. We will consider your safety culture as a company as well as the evidence of that culture in action including your safety manual, any OSHA violations, any past jobsite injuries, and your Lost Time Rate, Recordable Incident Rate, and Experience Modifier Rate. We look to you to submit this information as a part of the prequalification process.

Quality

One way we can assess the quality of work that you will provide is to check your references. We most prefer to see your references from past work with R&M, but we will also ask you for references in the general contractor community—preferably from projects with similar demands in terms of scope and schedule. We look to you to submit these references as a part of the prequalification process.

C. Insurance, Licensing and Bonding Requirements

R&M/C’s insurance requirements are detailed in Sections 13, 33.4, and Schedule E of the proposed form of contract. In summary, R&M/C/B requires that you provide Worker’s Comp, Employer’s Liability, General Liability, Automobile Liability, and Umbrella (or Excess) insurance programs. In some settings, R&M/C/B will also require pollution and professional coverage. The real concerns are (1) amount of coverage; (2) breadth and duration of coverage; (4) whose coverage is primary; and (5) our status as an additional insured.
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Liability Insurance Limits ($6M)

We require a total of $6M per occurrence in liability coverage (Employers Liability, General Liability, and Automobile Liability). Typically, this is accomplished with a $1M per occurrence primary policy and a $5M umbrella policy, but how you place that through the primary third party insurance (Employers Liability, General Liability, and Automobile Liability) and excess or umbrella coverage is up to you—provided that each coverage program works to total $6M. If meeting these limits will not be possible for you, then please let us know at the front end with your bid. We want to understand if you will have to buy additional coverage in order to meet your promise for this particular project. We certainly do not want to learn later that you have some additional costs.

Completed Operations Coverage

We require that you provide coverage that is valid both during your work both on and off premises and after you have completed your project scope. This product and completed operations coverage must be valid for a period of three (3) years from project completion.

Primary Noncontributory Endorsement

Your excess/umbrella insurance must be prepared to pay when your primary coverage is exhausted (not after both your and the R&M/C/B primary coverage is exhausted). This is called a “primary noncontributory” endorsement which addresses the order of payments. We know that this is often an area of confusion because the Umbrella contains language explaining that the Umbrella “Follows Form” of the primary policy. Please understand that this “follow form” language relates to the scope of coverage. We want to make sure your coverage (EL/GL/AL/UL) will pay before we have to use our insurance for a covered loss. Examples of this endorsement are available upon request.

Additional Insured

In order to access your insurance as an additional insured for both your “ongoing” and “completed operations” under your EL/GL/AL/UL, we require an endorsement(s) evidencing this to your insurance policies (if applicable, professional policy). The Insurance Service Office (ISO) publishes industry standard forms that address Additional Insured coverage which insurance brokers or agents can easily access. We accept these ISO endorsements or, where sufficient, your carrier’s functional equivalent.

Cancellation

It is imperative for you to be insured throughout your operations on this project and after the project is completed. You are required to maintain completed operations for a minimum of three (3) years beyond the date of completion of your work or the time set by the statute of repose in
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the state of the Project, whichever is longer. 30-day Non-Renewal and 10-day Non-Payment notification is required in the event of a cancellation of your insurance policy.

**Contractor Controlled Insurance Program (CCIP)**

R&M/C/B is evaluating the use of a CCIP program on the project for general liability and excess umbrella liability coverage for all subcontractors. **Bidders are to include all costs of insurance in bid** and provide a Form 1 from the CCIP Manual provided in the bid documents to capture the insurance cost included in the bid. If the project proceeds with a CCIP a deductive change order will be issued to the successful bidder.

**Licensing**

Subcontractors must be properly licensed according to applicable laws and must include with their bid a copy of their State Subcontractor’s or General Contractor’s license and/or other licensing required by authorities in the state, city, county or other jurisdiction where the project is located.

**Bonding**

R&M/C/B requires all subcontractors providing more than $150,000 in services or otherwise which are engaged in work on a building exterior envelope (glazing, precast, masonry veneer, EIFS, waterproofing, roofing, etc.) to furnish a Bid Bond (AIA A310 – included in bid solicitation) with their bid in the amount of 5% of the bid amount. Such subcontractors will be required to post a performance and payment bond in the amount of the subcontract from a surety with an A.M. Best Company Rating of A- or better. Others may be required to post a performance and payment bond at R&M/C/B’s discretion based upon individual facts and circumstances.

**D. VARIANCES WITH THESE REQUIREMENTS**

If after thoughtful review and discussions with your insurance broker you find that some of these requirements are proving difficult in your individual situation, please call Steve Wiley, Matt Campbell or Bobby Teachey to discuss the problem prior to bid submission. We want to be sure that we fully understand your bid and will assume that your bid price is based upon meeting the contract and insurance requirements unless you tell us otherwise.

**E. PAYMENT APPLICATIONS AND PAYMENTS**

Like many general contractors/construction managers, R&M/C/B has sought to automate the process of getting you paid timely. We use Textura’s construction collaboration solutions for this service (www.texturacorp.com). Like any technology solution, there are some costs and it can take a bit of work to become accustomed to the process, but we have found that Textura allows subcontractors to spend less time filling out the paperwork, gets them paid faster, and
allows us to stay on top of the compliance and other documents that are required in order to release payments. Textura is an internet-based solution, so you will be able to access Textura from any computer with an internet connection. Once the Textura requirements are met, we typically pay utilizing an ACH, which avoids the need for paper checks and results in the amount owed being delivered directly into your account. Please call Steve Wiley, Matt Campbell, or Bobby Teachey if you have any questions about this system. All subcontractors will pay a one-time fee ranging from a minimum of $50 to a maximum of $2,500 per subcontract, based upon the value of the subcontract at 0.18% of the subcontract value. The fee for sub-tier subcontractors receiving direct payment is at a cost of $100 per subcontract.

F. SAFETY REQUIREMENTS

Fall Arrest Systems

R&M/C/B requires that you provide and use safety harnesses and shock absorbing lanyards for all work that is: A) on suspended scaffolds, B) within six feet of the edge of an unguarded flat roof, elevated slab, or opening, C) on any sloped roof, or D) on any elevated work location that is six feet or higher from the ground or floor, if guardrails are not installed. Anchor points must be capable of supporting 5,000 lbs. per worker attached to that anchor point.

Drug and Alcohol Policy

Both because of our prime contract requirements and our own commitment to safety, all subcontractors are required to develop, implement and enforce a drug and alcohol policy that meets or exceeds the requirements of the R&M/C/B Drug and Alcohol Policy for employees as a condition of the subcontract. You are welcome to use our form of policy as a template. The R&M/C/B Subcontract Alcohol/Drug Policy Statement is contained in Schedule C of our subcontract.

Site Clean Up

Slips, trips, and falls are safety challenges on a job site. As a result, we look to you to maintain a site that is clean and free of debris. If you do not do an adequate job of cleaning up, then we will use our labor on an overtime basis to do this cleaning and will back-charge you for these costs.

Site and Project Specific Plans

R&M/C/B’s health and safety requirements are set out in Schedule J to the Subcontract. Please note that R&M/C/B requires that you develop a project specific and site specific safety plan for this work. You are welcome to use our form of project safety plan as a template.

G. SUBCONTRACT SCOPE AND TERMS AND CONDITIONS
R&M/C/B uses its own base form of agreement for its subcontracts and purchase orders. If you have worked with us in one state for one client and now are working with us in a different state for a different client, then you will need to re-review the contract requirements. R&M/C/B adjusts the base form agreement both to address different state law requirements that apply to our work across the country and particular approaches that different clients have required us to take on projects. As a result, we tend to have the broadest form of indemnity permissible under a state’s law and to follow the requirements of any applicable prompt payment act. Each successful bidder will be expected to execute, without exception, R&M/C/B’s subcontract or vendor purchase order (forms available for review in bid solicitation).

H. HOISTING AND STORAGE

Our form of contract normally requires that you make arrangements for all hoisting that will be required for your work. We also require that you provide for all storage for your materials and equipment. At best, there will be limited storage available in the building and any proposed use of this limited storage must be coordinated.

I. LEAN CONSTRUCTION (BUILDING FORWARD INITIATIVE)

From our inception, R&M/C/B has embraced continuous improvement and the elimination of waste. As lean ideals become more relevant to remain competitive in our industry, we have developed a Building Forward Initiative. This initiative is comprised of a very diverse committee of employees to drive this culture company-wide. This committee meets regularly to discuss progress, share innovations and set goals to move this initiative forward. We identify opportunities, support each other and our projects and provide the requisite resources for our projects to become what we refer to as Centers of Excellence. The Shawn Jenkins Children’s Hospital and Women’s Project is a proposed Center of Excellence Project.

Our Building Forward initiative is inspired by the Lean Construction Institute (LCI). As long standing members and annual presenters at the annual lean congress, we proudly support the betterment of the industry through lean practices, philosophies and culture. We recognize that well developed teams build successful projects. At a minimum, a Project Delivery Team consists of Owners, Designers, Subcontractors, Vendors, local community and most importantly the craft workers who we all must ultimately support to make these projects successful.

The following 4 major philosophies will be the focus of our management on this project. Below each philosophy we are listing some of the processes we will use to develop a high performing culture through the philosophies of Collaboration, Continuous Improvement, Learning and Leadership Development.
Finally, in order to be successful, we will have to build trust (accepting vulnerability), engage in healthy conflict (through candid debate), make commitments, hold ourselves accountable while always focusing on measurable results, to achieve another Center of Excellence.

### J. SCHEDULE MANAGEMENT

Schedule management is critical to a successful project. We intend to utilize the Last Planner System (LPS) to manage the Overall (OPS) and Near Term Schedules (NTS) based on a Milestone Schedule that will be developed collaboratively.

The Milestone Schedule will provide high level monthly and quarterly milestones to pull the schedule from. We feel that more importantly than pulling the schedule, we are collaboratively developing the schedule with the craft level workers that will be building the project. By including the craft level workers, we will get understanding and buy-in/ownership which will provide more reliable results. We don’t discourage PM and Supt participation, but we will require that the last responsible manager attend the daily and weekly meetings.

The Last Planner System will include daily stand up meetings. These quick (less than 30 minute) meetings will include a review of activity status, manpower, production, logistics, coordination, safety, materials and any constraints a trade may be experiencing. The LPS will also include a Weekly Work Plan meeting (WWP). These weekly meetings (less than 2 hours) will review the actual status, including measuring commitments via Percent Planned Complete (PPC). While average construction projects run at 54 PPC our Centers of Excellence projects regularly run between 75-80 PPC.

It is critical to understand this process. If you need further explanation of the LPS we encourage you to attend one of our many training sessions and/or the pre-bid meeting to understand this critical process.
K. MANPOWER

In order to meet and maintain the project schedule, or as part of a recovery plan, R&M/C/B will require that all subcontractors agree to supply a sufficient number of craftsmen, at the discretion and direction of the project superintendent.

L. BUILDING INFORMATION MODELING (BIM)

R&M/C/B frequently uses BIM as a collaborative tool in planning and coordinating the design for the project before construction starts. We have found that BIM will minimize conflicts and optimize construction schedules. Where BIM applies, we look to subcontractors and vendors to actively utilize the appropriate BIM technologies and processes to create detailed shop and installation drawings from the coordinated 3D BIM model, in accordance with R&M/C/B’s BIM Projects Trade Contractor Requirements document, as well as the BIM Execution Plan to be established for the project.

M. SUSTAINABLE JOBSITES POLICY & WASTE MANAGEMENT POLICY

R&M/C/B incorporates sustainable practices into our construction services. All subcontractors will be required to comply with any jobsite sustainability rules, educate their workers on these rules, and attend relevant meetings. Jobsite sustainability rules may include compliance with housekeeping requirements, protection and organization of project materials, observance of a “no-idling” policy, and other best-practice observances as described in R&M/C/B’s LEED Projects Trade Contractor Requirements document. As well, all subcontractors will adhere to the project’s Waste Management Plan; this plan will require segregation of waste onsite (separate dumpsters for different materials).

N. LEED PROJECTS

This project is attempting Leadership in Energy and Environmental Design (LEED) Silver Certification under the United States Green Building Council’s (USGBC) LEED Rating System, Version 2009, for Healthcare. Each subcontractor will comply with the LEED requirements as specified in the project documents and USGBC’s rating systems. Subcontractors may also be required to provide additional product documentation, recommend sustainable alternates, and comply with a series of environmental management plans including an erosion and pollution prevention plan, habitat protection plan, indoor air quality plan, or commissioning plan, in accordance with R&M/C/B’s LEED Projects Trade Contractor Requirements document.

O. LISTING OF BID DOCUMENTS

1) Interested Bidders Memorandum
2) General Requirements
3) Diversity & Local Participation Plan
P. CONCLUSION

R&M/C/B wants to be the best general contractor for its clients. We can only attain that goal by working closely with you to be clear about our expectations. This memo is intended to promote conversations about what we expect. As you consider this project, please be candid with your expectations as well as your thoughts on what might make this a more efficient project. We appreciate your thoughtful input.