

ILIKAI
HOTEL & LUXURY SUITES

Case Study

Comparison of Three Alternative Project Delivery Methods for the Ilikai Plumbing Infrastructure Renewal Program

Evaluating Traditional Contractor-Managed, Independent Agent CM/ACM, and In-House CM/ACM Delivery Systems

Prepared as a Comparative Case Study and Planning Framework for Evaluation by the Association of Apartment Owners of the Ilikai.

This document is not intended to recommend any particular project delivery method but to provide a framework for evaluating alternative approaches to plumbing infrastructure renewal.

Prepared by:

W Gary Westernoff, CEO and RMO
Ponta Inc. / Lafayette, California
California General Contractor License Number: 1161355
Hawaii General Contractor License Number: CT-10194

October 21, 2026

Table of Contents

PROPRIETARY RIGHTS *3*

LIMITED LICENSE AND WAIVER FOR THE ILIKAI *3*

ILIKAI 5-YEAR PLUMBING REPLACEMENT PROGRAM *5*

Potential Owner Savings *6*

DESIGN DEVELOPMENT AND DATA GATHERING *9*

Five-Year Implementation Schedule 10

Five-Year Implementation Timeline and Objectives 12

BUDGETING *13*

COMPARISON TABLES *16*

Comparing Cost Range Alternatives 16

Comparing Governance Considerations 17

Comparing Owner Governance Questions 19

Comparing Governance and Funding Issues 19

Comparing Owner Impact Considerations 21

Comparing Occupancy and Disruption Considerations 23

Comparing Owner-Oriented Questions 24

COSTING AND CONTRACTING *26*

CASE STUDY *27*

OPTION A 27

OPTION B 29

OPTION C 30

Comparing Construction Management Options 33

My Recommendation *34*

EXECUTIVE COMPARISON OF PROJECT DELIVERY ALTERNATIVES AND PROPOSED AOAO RESOLUTIONS *35*

OPTION A RESOLUTION 37

OPTION B RESOLUTION 38

OPTION C RESOLUTION 39

Neutral Closing Statement for the Three Resolutions *40*

Decision Question *41*

Which approach best serves the owners of the Ilikai? 41

Option A 41
Option B 41
Option C 41

Final Observation ***41***

Appendix ***42***

PLUMBING SUPPLIER PACKET FOR MATERIALS TAKEOFF FOR BULK PURCHASE **42**

PRELIMINARY SPECIFICATIONS FOR ILIKAI HOTEL & LUXURY SUITES UNIT RENOVATION AND IMPROVEMENT PROJECTS **46**

INSTRUCTIONS FOR SUBMITTING BIDS FOR UNIT RENOVATION AND IMPROVEMENT PROJECTS **59**

CONTRACTOR UNIT PRICING FORM FOR UNIT RENOVATION AND IMPROVEMENT PROJECTS **64**

AOAO INSTRUCTIONS FOR SUBMITTING BIDS LABOR ONLY PIPE REPLACEMENT PROJECTS **69**

AOAO SCOPE OF WORK LABOR-ONLY PIPE REPLACEMENT PROJECTS **75**

IN-HOUSE CONSTRUCTION MANAGER JOB DESCRIPTION **80**
IN-HOUSE CONSTRUCTION MANAGER EMPLOYMENT AGREEMENT 83

ASSISTANT CONSTRUCTION MANAGER JOB DESCRIPTION **87**
ASSISTANT CONSTRUCTION MANAGER AGREEMENT 91

INDEPENDENT CONSTRUCTION MANAGER AS AGENT (OWNER'S REPRESENTATIVE) AGREEMENT **96**

Construction Management Definitions **113**
Independent Agent Construction Manager (Agent CM) 113
Assistant Construction Manager (ACM) 113
In-House CM/ACM Program 113

PROPRIETARY RIGHTS

This Master Plan and all associated documents, including without limitation performance specifications, procurement strategies, implementation schedules, financial models, funding strategies, procedures, forms, drawings, reports, recommendations, methodologies, analyses, and supporting materials (collectively, the “Materials”), have been developed by and are the proprietary intellectual property of Ponta Inc. dba Constructionplace.com, The Westernoff Group, and their representatives.

The Materials are proprietary and confidential and are provided solely for the review, evaluation, and use authorized by Ponta Inc. dba Constructionplace.com. No portion of the Materials may be reproduced, copied, distributed, published, disclosed to third parties, modified, incorporated into other documents, relied upon, or utilized for any purpose or project without the prior written consent of Ponta Inc. dba Constructionplace.com.

The concepts, methodologies, project delivery approaches, procurement strategies, funding models, scheduling techniques, construction management systems, implementation recommendations, and related intellectual property contained herein remain the exclusive property of Ponta Inc. dba Constructionplace.com whether or not any portion of the Materials is adopted or implemented.

Receipt or review of these Materials shall not convey any ownership rights, license, or authorization to use the Materials except as expressly granted in writing by Ponta Inc. dba Constructionplace.com.

© 2026 Ponta Inc. dba Constructionplace.com. All Rights Reserved.

LIMITED LICENSE AND WAIVER FOR THE ILIKAI

The following limited exception is provided solely for the benefit of the Association of Apartment Owners of the Ilikai and shall supersede any inconsistent restriction contained herein with respect to the Ilikai Apartment Building only.

Notwithstanding the foregoing Proprietary Rights provisions, as an owner of Unit 836 and former Director of the Association of Apartment Owners of the Ilikai Apartment Building, the undersigned hereby grants the Association of Apartment Owners of the Ilikai ("AOAO Ilikai") a perpetual, non-exclusive, royalty-free license to review, reproduce, distribute internally, evaluate, modify, adopt, and implement the concepts, methodologies, strategies, recommendations, schedules, specifications, funding models, procurement approaches, and other materials contained within this Five-Year Plumbing Infrastructure Renewal Program solely for the benefit of the Ilikai Apartment Building.

This license and waiver are granted exclusively to the AOAO Ilikai and shall not extend to any other condominium association, owner, management company, contractor, consultant, engineering firm, governmental agency, or third party, except as reasonably necessary for the AOAO Ilikai, its consultants, legal counsel, engineers, architects, contractors, lenders, insurers, and other project participants to evaluate, design, finance, bid, procure, construct, administer, or implement the Program for the sole benefit of the Ilikai Apartment Building.

All intellectual property rights not expressly granted herein remain the property of Ponta Inc. dba Constructionplace.com and The Westernoff Group.

This license is provided voluntarily and without expectation of compensation, solely for the benefit of the owners of the Ilikai Apartment Building and in support of the Association's evaluation of alternative methods for addressing the building's plumbing infrastructure replacement needs.

Respectfully Submitted,

W. Gary Westernoff
Unit 836
Owner, Ilikai Apartment Building
Former Director, AOAO Ilikai

ILIKAI 5-YEAR PLUMBING REPLACEMENT PROGRAM

Responsibility Matrix

The proposed 5-year program recognizes that piping replacement and access/restoration are separate responsibilities. The AOAO would fund the plumbing infrastructure replacement, while owners would remain responsible for providing access and restoring unit finishes. By coordinating the timing of AOAO work with owner renovation activities wherever possible, the total cost to both the AOAO and owners can be significantly reduced.

Item	HOA	Owner
Pipe replacement	✓	
Inspections	✓	
Permits	✓	
Access preparation		✓
Cabinet removal		✓
Drywall removal		✓
Finish removal		✓
Restoration		✓
Contractor selection for owner work		✓

Owners should retain the right to obtain competitive pricing from contractors of their choice for all work that is their responsibility under the governing documents. The Association's role should be limited to establishing the scope, schedule, insurance requirements, and access deadlines necessary to coordinate the plumbing replacement program. Owners may elect to utilize Association-recommended contractors or independently selected contractors meeting Association requirements.

Shared Responsibility Funding Model

Guiding Principle

The AOAO is responsible for replacement of Association plumbing infrastructure. Unit owners are responsible for providing access and restoring any portions of their units disturbed by the plumbing replacement work. Owners shall have the option of obtaining competitive pricing from qualified contractors of their choosing for all owner-responsibility work.

Typical Owner Costs

- Cabinet removal
- Drywall removal
- Soffit removal
- Tile removal
- Access preparation
- Drywall restoration
- Painting
- Cabinet replacement
- Finish restoration

Owner Contractor Options

Option A (Recommended)

Owner Selects Own Contractor

The owner may:

- Obtain multiple bids
- Select any qualified contractor
- Perform restoration in conjunction with remodeling projects
- Control finish selections and costs

Option B

Use HOA-Recommended Contractors

The AOAO may maintain a list of qualified contractors for owner convenience.

Option C

AOAO Negotiated Volume Pricing

The AOAO may negotiate discounted rates with restoration contractors; however, participation would be entirely voluntary.

Potential Owner Savings

Many owners may already be planning:

- Kitchen renovations
- Bathroom renovations

- Flooring replacement
- Cabinet replacement

By coordinating restoration work with these planned improvements, owners may significantly reduce their overall costs by avoiding duplicate demolition and reconstruction.

Policy Statement

Owners shall retain the right to obtain competitive pricing and contract directly with qualified contractors of their choice for all owner-responsibility work associated with the plumbing replacement program. The Association's role shall be limited to establishing access requirements, scheduling, insurance requirements, and construction standards necessary to complete the plumbing infrastructure replacement program. Participation in any Association-negotiated contractor pricing programs shall be voluntary.

Actual costs will vary depending upon building engineering requirements, owner finish selections, contractor pricing, scheduling efficiencies, and opportunities to coordinate work with owner renovation projects.

Component 1: Bulk Material Procurement

The AOAO purchases all pipe, fittings, valves, supports, and related materials directly from manufacturers or distributors as described herein below.

Benefits:

- Volume discounts
- Elimination of contractor material markup
- Material standardization
- Reduced supply-chain risk
- Better quality control
- Consistent inventory management

Component 2: Labor-Only Plumbing Contracts

The AOAO solicits competitive bids from qualified plumbing contractors for labor only as described herein below.

Benefits:

- Elimination of contractor material markup
- Transparent labor pricing
- Increased bidding competition

- Easier comparison of bids
- Better production tracking

Component 3: Phased 5-Year Implementation

Replace piping by:

- Stack
- Zone
- Floor grouping

rather than building-wide demolition.

Benefits:

- Maintains occupancy
- Minimizes owner disruption
- Improves annual cash flow
- Reduces financing requirements

Component 4: Owner Responsibility

Owners remain responsible for**:**

- Access preparation
- Cabinet removal
- Wall opening
- Finish removal
- Restoration

Owners retain the right to:

- Obtain their own bids
- Select their own contractors
- Coordinate restoration with planned renovations

The AOAO may provide recommended contractors but participation remains voluntary.

Component 5: Funding Strategy

Rather than:

One Large Assessment + One Large Construction Contract

the model becomes:

Reserve Funding + Annual Contributions + Phased Construction + Bulk Material Purchasing + Labor-Only Installation for AOAO work + Owner-Funded Access & Restoration

Total Program Value Summary

Category	Responsibility
Plumbing Materials	AOAO
Plumbing Installation Labor	AOAO
Engineering	AOAO
Project Management	AOAO
Access Preparation	Owner
Restoration	Owner

Actual costs will be determined through engineering studies, competitive bidding, direct material procurement, labor-only plumbing bids, and owner-selected restoration contractors:

1. Bulk-buy materials.
2. Bid labor separately.
3. Phase the work over 5 years.
4. Maintain occupancy.
5. Allow owners competitive pricing for restoration.
6. Use reserves and annual funding rather than large assessments whenever possible.

DESIGN DEVELOPMENT AND DATA GATHERING

Purpose

The purpose of this phase is to gather the information necessary to validate existing conditions, establish prototype units, develop accurate budgets, define owner and AOAO responsibilities, and implement the Five-Year Plumbing Infrastructure Renewal Program.

Five-Year Implementation Schedule

Year 1 - Investigation, Design Development and Prototype Units

Objectives

- Review existing engineering reports and studies.
- Verify existing plumbing system configurations.
- Establish representative prototype units.
- Confirm access requirements.
- Validate restoration requirements.
- Prepare material takeoffs.
- Solicit supplier pricing.
- Develop labor-only installation pricing.
- Establish owner communication procedures.
- Finalize budgets and construction schedules.

Deliverables

- Prototype Unit Reports
- Material Procurement Plan
- Labor Pricing Database
- Final Five-Year Budget
- Detailed Construction Schedule

Year 2 - Phase One Construction

Objectives

- Bulk purchase materials.
- Execute labor-only plumbing contracts.
- Begin high-priority stack replacements.
- Coordinate owner access requirements.
- Monitor productivity and costs.
- Refine construction procedures.

Target Completion

- Approximately 20% of total piping replacement program.

Year 3 - Phase Two Construction

Objectives

- Continue stack-by-stack pipe replacement.
- Coordinate work with owner renovation projects.
- Maintain occupancy and hotel operations.
- Evaluate annual budget performance.
- Adjust schedule as necessary.

Target Completion

- Approximately 40% cumulative project completion.

Year 4 - Phase Three Construction

Objectives

- Continue building-wide pipe replacement.
- Complete remaining priority areas.
- Expand owner participation opportunities.
- Continue bulk purchasing programs.
- Maintain construction quality control.

Target Completion

- Approximately 70% cumulative project completion.

Year 5 - Final Construction and Program Closeout

Objectives

- Complete remaining stack replacements.
- Complete remaining branch piping replacements.
- Perform final inspections.
- Develop as-built documentation.
- Verify system performance.
- Complete program closeout.

Target Completion

- 100% Plumbing Infrastructure Renewal Program Completion.

Scheduling Objectives

The Five-Year Plumbing Infrastructure Renewal Program shall be executed to:

- Minimize disruption to owners and guests.
- Maintain hotel and rental occupancy.
- Minimize or eliminate special assessments.
- Utilize bulk purchasing strategies.
- Utilize labor-only plumbing contracts.
- Permit owners to obtain competitive pricing for access and restoration work.
- Coordinate work with owner renovation projects whenever practical.
- Maintain normal building operations throughout the project.

Five-Year Implementation Timeline and Objectives

Program Phase	Year 1	Year 2	Year 3	Year 4	Year 5
Standard Performance Specifications Adopted by AOAO	●				
Hire Construction Manager	●				
Hire Assistant Construction Manager	●				
Existing Conditions Assessment	●				
Review Completed Piping Inspections and analyze	●				
Engineering Review & Validation	●				
Prototype Units Selection	●				
Prototype Units Open for Review	●				
Bulk Material Takeoffs from Pipe Suppliers	●				
Budget Development and Validation	●				
Owner Communication Program Implemented	●	●	●	●	●
Bulk Materials Procurement	●	●	●	●	●
Labor-Only Plumbing Contract(s) Awarded	●	●	●	●	●
Labor-Only Back Up Plumbing Contractors Selected	●	●	●	●	●
Phase 1 Pipe Replacement		●			
Phase 2 Pipe Replacement			●		
Phase 3 Pipe Replacement				●	
Phase 4 Pipe Replacement					●
Coordination with Owner Renovations	●	●	●	●	●
Schedule & Budget Refinement	●	●	●	●	●
Quality Assurance & Inspections		●	●	●	●
Final Testing & Verification					●

Program Phase	Year 1	Year 2	Year 3	Year 4	Year 5
As-Built Documentation					●
Program Closeout					●
One-Year Inspections		●	●	●	●

Target Construction Progress

Year Ended	Cumulative Completion Goal
Year 1	Planning & Validation Complete
Year 2	25% Complete
Year 3	50% Complete
Year 4	75% Complete
Year 5	100% Complete

BUDGETING

Unit Inventory

Unit Type	Units per Floor	Floors	Total Units
1-Bedroom	38	Floors 2-25 (24 Floors)	912
2-Bedroom	6	Floors 2-25 (24 Floors)	144
Penthouse	8 per Stack	Floor 26 (3 Stacks)	24
Total Units			**1,080**

Must be verified

Budgeting Methodology

The purpose of this Budgeting Methodology is to establish a reliable cost model for the Five-Year Plumbing Infrastructure Renewal Program while maintaining owner occupancy, minimizing disruption, and reducing or eliminating special assessments whenever practical.

Budget development shall be based upon:

- Prototype unit investigations.
- Actual material takeoffs.
- Bulk material supplier quotations.

- Labor-only plumbing contractor bids.
- Actual owner access requirements.
- Actual restoration requirements.
- Annual implementation schedules.
- Competitive bidding procedures based on Standard Performance Specifications

Cost Responsibility Allocation

AOAO Responsibilities

The AOAO budget shall include:

Design and Administration

- Engineering and piping Inspections
- Project management
- Construction administration
- Permitting
- Inspections
- Quality control

Plumbing Infrastructure

- Piping materials
- Fittings
- Valves
- Pipe supports
- Firestopping
- Consumable materials

Installation

- Labor-only plumbing contracts
- Temporary systems
- Testing
- Commissioning

Construction Contingency

- Unforeseen conditions
- Access modifications
- Design revisions

Unit Owner Responsibilities

Unit owners shall remain responsible for costs associated with providing access and restoring their units.

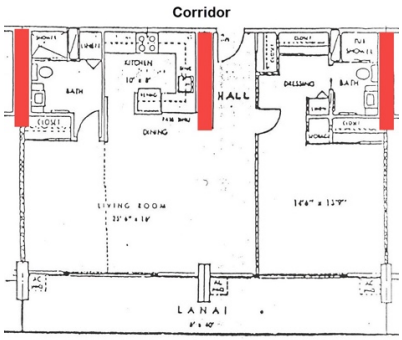
Typical owner costs may include:

- Cabinet removal
- Drywall removal
- Soffit removal
- Tile removal
- Countertop removal
- Access preparation
- Drywall restoration
- Painting
- Cabinet replacement
- Flooring repairs
- Finish restoration

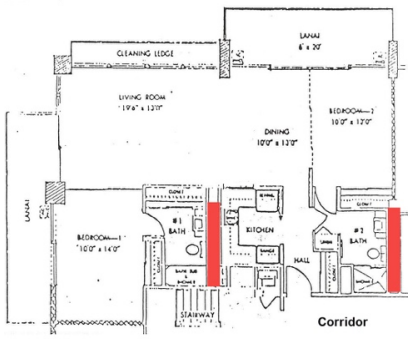
Owners shall retain the right to obtain competitive pricing from qualified contractors of their choice using the Standard Performance Specifications for control and coordination with the AOAO responsibilities.



1 Bedroom Unit



2 Bedroom Unit



2 Bedroom End Unit

Prototype Unit Cost Development

Prototype Units shall be established for:

Unit Type	Quantity
1-Bedroom Prototype	1
2-Bedroom Prototype	1
Penthouse Prototype	1

The prototype units shall be used to determine:

- Actual labor hours.
- Material quantities.
- Owner access requirements.
- Restoration costs.
- Scheduling assumptions.
- Construction sequencing.
- Owner and Contractor reviews

COMPARISON TABLES

Comparing Procurement Costs for Piping Materials Only

Procurement Method	Material Cost Assumption
Contractor Furnished Materials	100%
AOAO Direct Purchase	80% - 90%
AOAO Potential Savings Range	10% - 20%

Example

Scenario	Material Cost
Contractor Furnished	$6,000,000
AOAO 10% Reduction	$5,400,000
AOAO 15% Reduction	$5,100,000
AOAO 20% Reduction	$4,800,000

For purposes of comparison only, this Case Study assumes that direct AOAO procurement of piping materials may result in savings of approximately 10% to 20% compared to contractor-furnished materials due to elimination of contractor markups, bulk purchasing opportunities, competitive supplier bidding, direct manufacturer relationships, and centralized inventory management.

Actual savings cannot be determined until final material takeoffs are completed and supplier quotations are obtained.

Comparing Cost Range Alternatives

Illustrative Planning Model Only

Alternative	Low Estimate	Mid Estimate	High Estimate
Traditional Contractor Managed	$17,000,000	$17,000,000	$17,000,000

Alternative	Low Estimate	Mid Estimate	High Estimate
Traditional + Independent Agent CM/ACM (Owner's Representative)	$17,800,000	$17,800,000	$17,800,000
Five-Year Renewal Program	$14,600,000	$15,000,000	$15,800,000

The In-House CM and Assistant ACM include assumptions regarding potential savings from bulk material procurement, labor-only plumbing contracts, phased implementation, and direct project management. Actual costs will be developed based upon supplier quotations, labor bids, material takeoffs, prototype unit investigations, and final engineering requirements.

Comparing Governance Considerations

By utilizing reserve funding, annual contributions, phased implementation, bulk material purchasing, labor-only plumbing contracts, and owner-funded access and restoration, the Association may be able to significantly reduce or avoid some of the financial and approval challenges commonly associated with large special assessments and single-contract repiping projects.

Governance Consideration	Traditional Contractor-Managed	Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)	Ilikai Five-Year Infrastructure Renewal Program with In-House CM/ACM
Board Approval Required	Yes	Yes	Yes
Engineering Review Required	Yes	Yes	Yes
Construction Contract Approval	Single Major Contract	Single Major Contract	Multiple Annual Contracts and Procurement Packages
Budget Approval	Prior to Project	Prior to Project	Annual Budget Review and Approval
Reserve Fund Authorization	As Required	As Required	As Required
Financing Approval	May Be Required	May Be Required	May Be Required
Special Assessment Approval	May Be Required	May Be Required	May Be Reduced or Avoided Depending on Funding Strategy

Governance Consideration	Traditional Contractor-Managed	Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)	Ilikai Five-Year Infrastructure Renewal Program with In-House CM/ACM
Owner Approval Requirements*	Dependent on Governing Documents and Funding Structure	Dependent on Governing Documents and Funding Structure	Dependent on Governing Documents and Funding Structure
Change Order Approval	During Construction	Independent Review Prior to Recommendation	Annual Review and Board Approval as Needed
Board Oversight During Construction	Periodic	Periodic with Independent Reporting	Ongoing Annual Review and Oversight
Ability to Modify Future Work	Limited After Contract Award	Limited After Contract Award	Future Phases May Be Modified Annually
Procurement Oversight	Contractor-Centric	Independent CM Review	AOAO Procurement Management
Cost Verification	Engineer and Contractor	Independent CM/ACM Review	AOAO CM/ACM Review and Annual Procurement Process
Reporting to Owners	Typically, Project-Based	Periodic Independent Reporting	Annual Program Reporting

Actual approval requirements depend upon Hawaii Revised Statutes Chapter 514B, the Ilikai Declaration, Bylaws, Association policies, legal counsel, and the specific funding method ultimately selected.

Comparing Owner Governance Questions

Question	Traditional Contractor-Managed	Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)	Ilikai Five-Year Infrastructure Renewal Program with In-House CM/ACM
Who oversees the project?	Contractor, Engineer, Board	Contractor, Engineer, Independent CM/ACM, Board	AOAO Construction Management Team and Board
How often does the Board make decisions?	Primarily before construction and during major issues	Primarily before construction with independent oversight during construction	Annual review and approval throughout the program
Can future phases be changed?	Limited	Limited	Yes
Is there independent oversight of the contractor?	Limited	Yes	Yes
How are costs reviewed?	Contractor and Engineer	Independent CM/ACM Review	Annual Budget and Procurement Review
How often are owners updated?	Periodically during construction	Periodically with independent reporting	Ongoing through annual planning and implementation reviews

Comparing Governance and Funding Issues

Issue	Traditional Contractor-Managed	Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)	Ilikai Five-Year Infrastructure Renewal Program with In-House CM/ACM
Funding Method	Large Special Assessment, Financing, Reserves, or Combination	Large Special Assessment, Financing, Reserves, or Combination	Reserve Funding, Annual Contributions, Financing if Needed, and Phased Funding

Issue	Traditional Contractor-Managed	Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)	Ilikai Five-Year Infrastructure Renewal Program with In-House CM/ACM
Owner Financial Impact	Significant Financial Impact Over Shorter Timeframe	Significant Financial Impact Over Shorter Timeframe	Financial Impact Distributed Over Multiple Years
Special Assessment Requirements	May Require Large Special Assessment	May Require Large Special Assessment	May Reduce or Eliminate Need for Large Special Assessment
Potential Owner Approval Requirements*	May Be Required Depending on Assessment, Financing, and Governing Documents	May Be Required Depending on Assessment, Financing, and Governing Documents	May Be Reduced if Existing Reserves and Annual Contributions Are Utilized
Board Approval Required	Required	Required	Required
Contract Approval	One Large Construction Contract	One Large Construction Contract Plus CM/ACM Agreements	Multiple Procurement Packages and Annual Contract Approvals
Borrowing Requirements	More Likely	More Likely	Potentially Reduced
Ability to Modify Scope During Program	Limited After Contract Award	Limited After Contract Award	Can Be Adjusted Annually Based on Conditions and Funding
Procurement Options	Generally Single Contract Approach	Single Contract Approach with Independent Review	Multiple Procurement Strategies Available
Owner Participation	Limited	Limited to Moderate	Significant Owner Participation
Cost Transparency	Contractor-Driven Pricing	Independent Cost Review and Reporting	Open and Itemized Pricing Structure
Project Management	Primarily Contractor Managed	Contractor Managed with Independent CM/ACM Oversight	AOAO Construction Management Team Managed

Issue	Traditional Contractor-Managed	Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)	Ilikai Five-Year Infrastructure Renewal Program with In-House CM/ACM
Quality Assurance	Contractor and Engineer	Contractor, Engineer, and Independent CM/ACM	CM, Assistant CM/ACM, Contractors, and AOAO Oversight
Change Order Review	Contractor and Engineer	Independent CM/ACM Review Prior to Recommendation	AOAO CM/ACM Review and Annual Program Evaluation
Board Oversight During Construction	Periodic	Periodic with Independent Reporting	Ongoing Annual Review and Oversight
Future Flexibility	Limited	Limited	Greater Flexibility Through Annual Planning
Reporting to Owners	Periodic Project Updates	Periodic Independent Reporting	Ongoing Annual Program Reporting

Comparing Owner Impact Considerations

Consideration	Traditional Contractor-Managed	Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)	Ilikai Five-Year Infrastructure Renewal Program with In-House CM/ACM
Funding Approach	Large special assessment and/or financing may be required	Large special assessment and/or financing may be required	Costs may be funded through reserves, annual contributions, financing if needed, and phased implementation
Construction Schedule	One large construction project	One large construction project with independent oversight	Work completed in phases over multiple years
Building Disruption	Greater concentration of construction	Similar construction activity with additional	Construction impacts distributed through

Consideration	Traditional Contractor-Managed	Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)	Ilikai Five-Year Infrastructure Renewal Program with In-House CM/ACM
	activity during the project period	oversight and coordination	scheduling and phasing
Materials Procurement	Contractor controls material purchasing	Contractor controls purchasing with independent review	AOAO controls material purchasing and procurement
Owner Flexibility	May be limited by project delivery method	May be limited by project delivery method	Owners may select their own access and restoration contractors
Renovation Coordination	Limited opportunities to coordinate with owner renovations	Limited opportunities to coordinate with owner renovations	Greater opportunity to coordinate with owner renovations
Occupancy Considerations	Dependent on contractor's construction plan	Occupancy impacts monitored by independent CM/ACM	Program designed to maintain normal occupancy and operations whenever practical
Cost Transparency	Primarily contractor-based pricing	Independent review of contractor pricing	Open and itemized procurement and pricing structure
Financial Impact Timing	Larger financial commitment over a shorter time period	Larger financial commitment over a shorter time period	Financial impacts distributed over multiple years
Independent Owner Representation	Limited	Independent CM/ACM represents AOAO and owner interests	AOAO CM/ACM provides ongoing program oversight
Ability to Adjust Future Work	Limited after major contract award	Limited after major contract award	Future phases may be adjusted annually
Communication and Reporting	Contractor and management reporting	Contractor, management, and independent CM/ACM reporting	Ongoing annual program reporting and review

Comparing Occupancy and Disruption Considerations

Consideration	Traditional Contractor-Managed	Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)	Ilikai Five-Year Infrastructure Renewal Program with In-House CM/ACM
Construction Duration	Shorter Overall Duration	Shorter Overall Duration	Longer Overall Duration
Number of Units Under Construction at One Time	Larger Number	Larger Number	Smaller Number
Owner Access Requirements	Concentrated During Construction Period	Concentrated During Construction Period	Distributed Over Multiple Years
Water Shutdowns	More Intensive During Construction Period	More Intensive During Construction Period	Smaller Planned Shutdowns
Construction Traffic	Higher During Active Construction	Higher During Active Construction	Distributed Over Multiple Years
Noise and Dust	Greater Concentration During Construction	Greater Concentration During Construction	Lower Concentration but Longer Duration
Hotel Operations	Dependent on Contractor's Schedule and Phasing Plan	Monitored by Independent CM	Incorporated into Annual Planning
Rental Occupancy Impacts	Dependent on Construction Phasing	Monitored by Independent CM	Intended to Minimize Occupancy Impacts
Owner Scheduling Flexibility	Limited	Limited	Greater Opportunity for Coordination
Coordination with Owner Renovations	Limited	Limited	Integrated Whenever Practical

Consideration	Traditional Contractor-Managed	Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)	Ilikai Five-Year Infrastructure Renewal Program with In-House CM/ACM
Ability to Modify Future Work Based on Experience	Limited After Contract Award	Limited After Contract Award	Annual Adjustments Possible

Comparing Owner-Oriented Questions

Question	Traditional Contractor-Managed	Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)	Ilikai Five-Year Infrastructure Renewal Program with In-House CM/ACM
How is the project funded?	Special Assessment, Financing, Reserves, or Combination	Special Assessment, Financing, Reserves, or Combination	Reserves, Annual Contributions, Financing if Needed
How long does the overall program last?	Shorter Duration	Shorter Duration	Longer Duration
Who manages construction?	Contractor	Contractor with Independent AOAO Oversight	AOAO Construction Management Team
Who represents owner interests during construction?	Board, Management, Engineer	Board, Management, Engineer, CM & ACM	Board, Management, CM & ACM
How are materials purchased?	Contractor Purchased	Contractor Purchased	AOAO Bulk Purchased
How are plumbers hired?	Contractor Hires Plumbers	Contractor Hires Plumbers	AOAO Labor-Only Contracts
How much Board oversight is required?	Moderate	Moderate to High	Ongoing Throughout Program

Question	Traditional Contractor-Managed	Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)	Ilikai Five-Year Infrastructure Renewal Program with In-House CM/ACM
When do owners experience disruption?	More Concentrated	More Concentrated	Distributed Over Multiple Years
Can the program be modified after it starts?	Limited	Limited	Annual Adjustments Possible
Can owners coordinate with their own renovations?	Limited	Limited	Yes
Who pays for plumbing replacement?	AOAO	AOAO	AOAO
Who pays for access and restoration?	Owners	Owners	Owners
Can owners select their own restoration contractor?	Depends on Program Structure	Depends on Program Structure	Yes
Primary Benefit	Faster Completion	Independent Oversight	Flexibility and Phased Implementation
Primary Challenge	Larger Financial Commitment in Shorter Timeframe	Additional Professional Services Cost	Longer Program Duration

Conclusion

Neither alternative eliminates disruption. The primary difference is whether disruption occurs during a shorter, more concentrated construction period or is distributed over a longer period through phased implementation. The preferred approach will depend upon owner priorities regarding cost, schedule, occupancy impacts, and operational flexibility.

COSTING AND CONTRACTING

The purpose of the Costing and Contracting Section is to establish the procedures, requirements, forms, specifications, procurement methods, pricing structures, contractor qualification standards, and contract administration requirements necessary to implement the Five-Year Plumbing Infrastructure Renewal Program.

This section is intended to:

- Promote fair and competitive bidding.
- Maximize cost savings through bulk material purchasing.
- Utilize labor-only plumbing contracts whenever practical.
- Clearly define AOAO and Unit Owner responsibilities.
- Establish standardized pricing and bid forms.

Ensure consistent contractor qualifications and insurance requirements.

- Maintain quality control and project accountability.
- Reduce contractor markups and unnecessary overhead costs.
- Provide transparency in project pricing and contracting decisions.
- Support the phased implementation strategy established in the Five-Year Implementation Schedule.

Key Objectives

The Costing and Contracting Program is designed to:

1. Control Costs

By separating material procurement, labor, and restoration costs into distinct bidding packages.

2. Encourage Competition

By allowing qualified contractors to competitively bid labor-only plumbing work and owner restoration work.

3. Improve Transparency

By requiring standardized bid forms and pricing breakdowns.

4. Define Responsibilities

By clearly identifying which costs are the responsibility of the AOAO and which costs are the responsibility of individual owners.

5. Reduce Project Risk

By establishing contractor qualification, insurance, scheduling, and performance requirements.

6. Support Long-Term Program Success

By creating a repeatable contracting and procurement system that can be used throughout the Five-Year Plumbing Infrastructure Renewal Program.

CASE STUDY

COMPARISON OF THREE ALTERNATIVE PROJECT DELIVERY METHODS FOR THE ILIKAI PLUMBING INFRASTRUCTURE RENEWAL PROGRAM

OPTION A

Traditional Contractor-Managed Building-Wide Repiping Program

Project Delivery Method

- Single engineering design.
- Single construction contract.
- Contractor furnishes labor, materials, supervision, scheduling, and project management.
- Building-wide implementation over a relatively short period.
- Contractor controls procurement and installation.

Funding

- Special Assessment.
- Bank Financing.
- Reserve Funds.
- Combination of the above.

Owner Responsibilities

- Provide access to units.

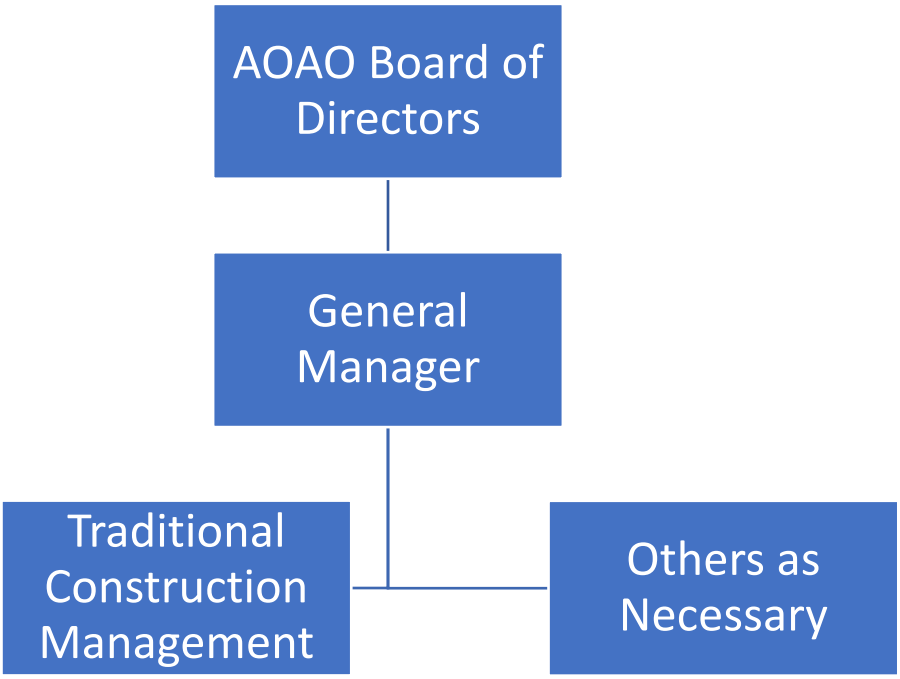
- Restore finishes damaged by construction unless included in the construction contract.
- Comply with construction schedules.

Advantages

- Single point of responsibility.
- Simpler administration.
- Faster completion.
- Single construction contract.

Disadvantages

- Large upfront financial impact.
- Potential special assessment.
- Potential financing requirement.
- Greater disruption.
- Less owner flexibility.
- Limited ability to adjust scope after contract award.



OPTION B

Traditional Building-Wide Repiping Program with Independent Agent CM/ACM

Delivery Method

- Single engineering design.
- Single construction contract.
- Independent Construction Manager (CM).
- Independent Assistant Construction Manager / Clerk of the Works (ACM/ACM).
- Contractor furnishes labor, materials, supervision, and installation.
- Building-wide implementation over a relatively short period.

Funding

- Special Assessment.
- Bank Financing.
- Reserve Funds.
- Combination of the above.

Owner Responsibilities

- Provide access to units.
- Restore finishes damaged by construction unless included in the construction contract.
- Comply with construction schedules.

Advantages

- Independent representation of AOAO interests.
- Independent schedule review.
- Independent cost review.
- Independent quality assurance.
- Independent change order review.
- Enhanced owner communication.
- Improved reporting to Board and owners.

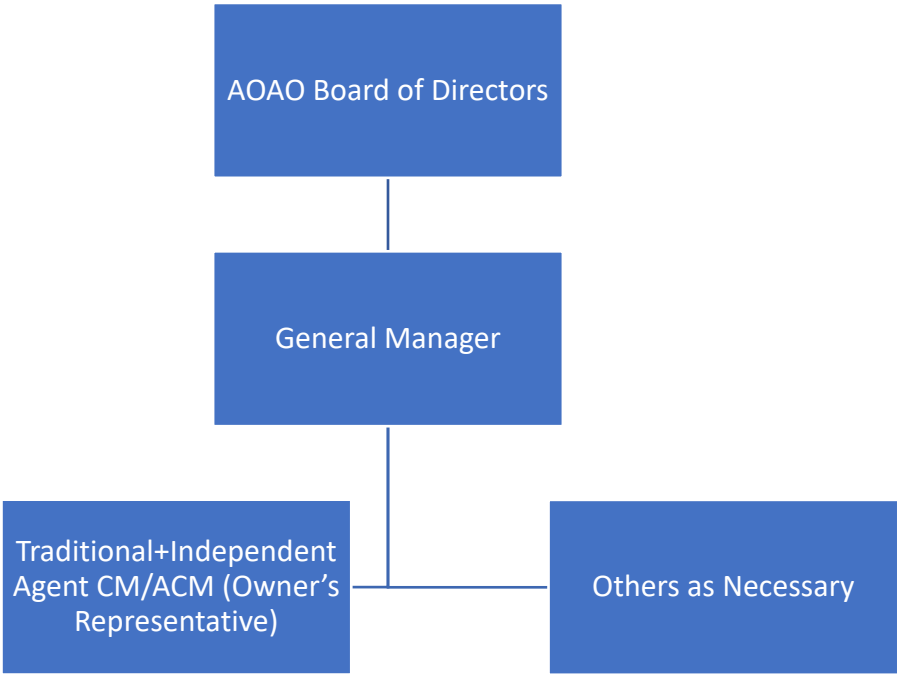
Disadvantages

- Additional CM and ACM/ACM costs.

- Similar financial and disruption impacts as Option A.
- Limited ability to modify scope after contract award.
- Still dependent upon contractor procurement and pricing.

Potential Approval Requirements

- Board Approval.
- Engineering Approval.
- Construction Contract Approval.
- CM Agreement Approval.
- ACM/ACM Agreement Approval.
- Financing Approval (if required).
- Special Assessment Approval (if required).
- Any required owner approvals.



OPTION C

Ilikai Five-Year Plumbing Infrastructure Renewal Program

Project Delivery Method

- Five-year phased implementation.

- Construction Manager.
- Assistant Construction Manager.
- Prototype Units.
- Annual planning and budgeting.
- Bulk material purchasing by AOAO.
- Labor-only plumbing contracts.
- Owner contractor choice for owner responsibilities.
- Annual review and adjustment.

Funding

- Reserve Funds.
- Annual Budget Contributions.
- Cash Flow Management.
- Phased expenditures.
- Financing only if necessary.

Owner Responsibilities

- Provide access to units.
- Remove cabinets, drywall, soffits, and finishes as necessary.
- Perform restoration work.
- Obtain competitive pricing from contractors of their choice.
- Coordinate restoration with AOAO schedules.

Advantages

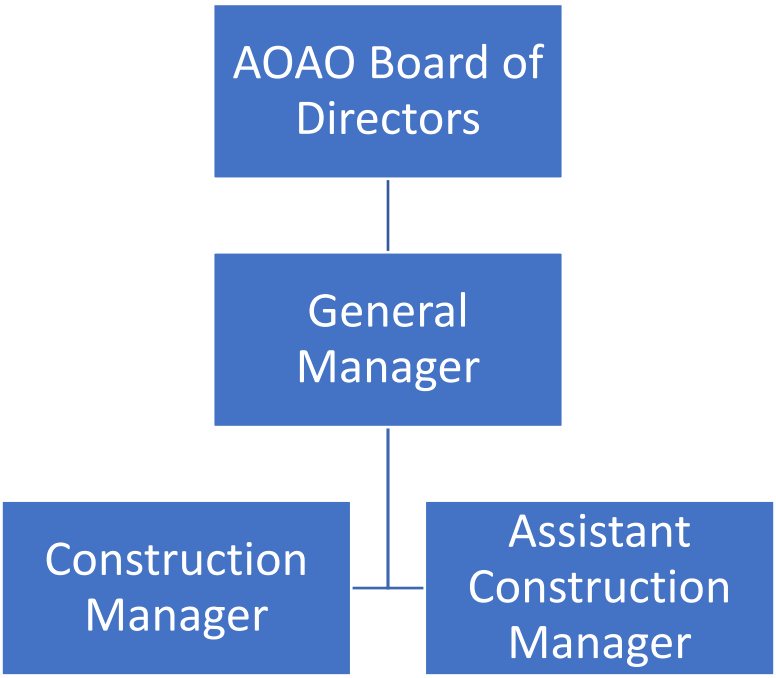
- May reduce or eliminate large special assessments.
- Costs distributed over time.
- Greater transparency.
- Bulk purchasing opportunities.
- Competitive labor pricing.
- Greater owner flexibility.
- Reduced disruption.
- Goal of maintaining occupancy and normal operations.
- Annual adjustment of budgets and schedules.

Disadvantages

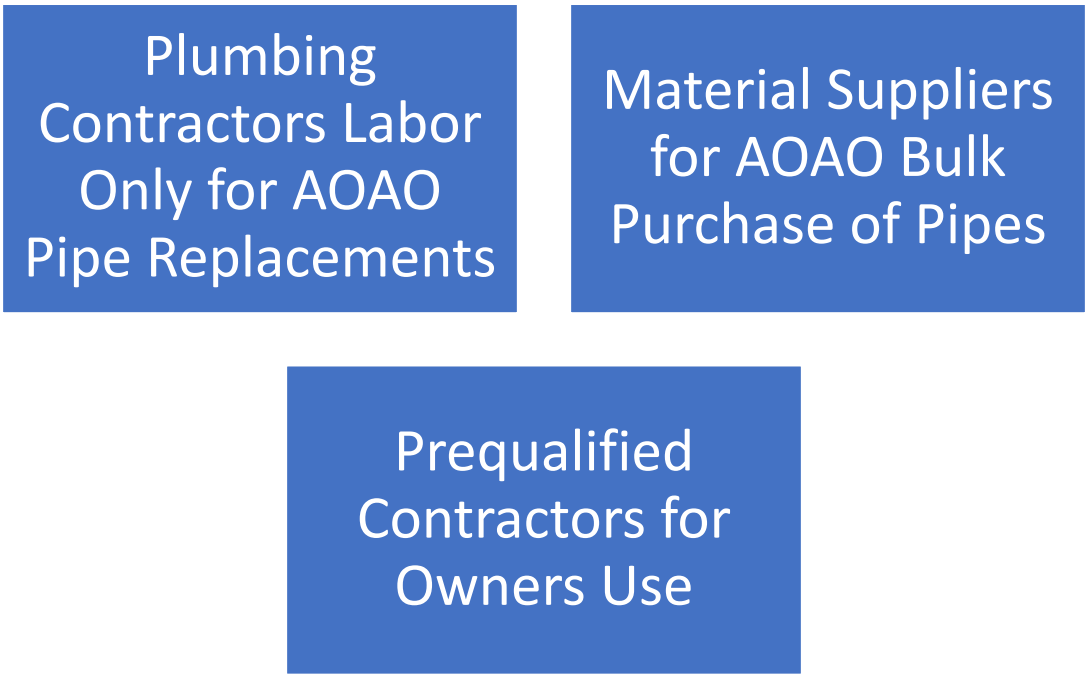
- Longer implementation period.
- Requires CM and ACM/ACM.
- Requires annual planning and oversight.
- Requires owner coordination.

Potential Approval Requirements

- Board Approval of Program.
- Board Approval of Annual Budgets.
- Approval of CM Position.
- Approval of ACM/ACM Position.
- Annual Procurement Approvals.
- Reserve Fund Authorization.
- Any owner approvals required by governing documents and applicable law.



Activities Controlled by Hired Construction Manager and Assistant Construction Manager



Comparing Construction Management Options

Comparison	Traditional Contract Managed	At-Risk CM	Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)	Ilikai Five-Year Plumbing Infrastructure Renewal Program with In-House CM/ACM
Cost Review	Contractor & Engineer	CM Reviews Own Costs	Independent Review	AOAO Employee Review
Schedule Review	Contractor	CM Controls Schedule	Independent Review	AOAO Staff Monitoring
Change Orders	Contractor Driven	CM Recommendation	Independent Evaluation	AOAO Staff Valuation
Payment Applications	Contractor Submission	CM Approval	Independent Verification	AOAO Staff Verification
Quality Oversight	Contractor & Engineer	CM Quality Program	Independent Oversight	AOAO Field Oversight
Procurement Support	Contractor Led	CM Led	Independent Procurement Assistance	AOAO Managed

Reporting to Board	Through Contractor	Through CM	Dedicated Professional Reporting	Direct Staff Reporting
Advocacy	Contractor Interest	CM Business Interest	Owner-Focused Representation	Association Employee Interest
Field Inspections	Limited	CM Staff	Independent Clerk of the Works	Assistant CM / Clerk of Works
Board Support	Limited	Moderate	Dedicated Professional Support	Dedicated Internal Support
Independent from Contractor	No	No	Yes	Partially
Best Use	Conventional Construction	Design-Build / ACMR	High-Value or High-Risk Projects	Long-Term Capital Projects

My Recommendation

If the AOAO chooses the **Traditional Building-Wide Repiping Program**, I would recommend one of the following:

1. **In-House Construction Manager CM with Assistant ACM**

    - Provides daily oversight and owner advocacy.
    - Lower long-term cost if the AOAO anticipates multiple major capital projects.
    - Builds institutional knowledge within the Association.

2. **Independent Construction Manager as Agent (Owner's Representative)**

    - Provides completely independent review of costs, schedules, quality, and payment applications.
    - Offers the highest level of owner protection and professional oversight.
    - Maintains independence from contractors, designers, and suppliers.

Regardless of the delivery method selected, the AOAO should consider retaining either an In-House Construction Manager with Assistant CM support or an Independent ACM and Clerk of the Works to represent the interests of the Association and its owners throughout planning, procurement, construction, occupancy coordination, and project closeout.

https://blog.constructionplace.com/risk-vs-agency/

EXECUTIVE COMPARISON OF PROJECT DELIVERY ALTERNATIVES AND PROPOSED AOAO RESOLUTIONS

Consideration	Option A Traditional Contractor-Managed Building-Wide Repiping Program	Option B Traditional Building-Wide Repiping Program with Independent Construction Manager Agent (Owner's Representative)	Option C Iikai Five-Year Plumbing Infrastructure Renewal Program with In-House Construction Manager CM and Assistant ACM
Estimated AOAO Cost*	Approximately $17.0 Million	Approximately $17.8 Million	Approximately $14.6M to $15.8M
Project	Approximately 18-30 Months	Approximately 18-30 Months	Planned 5 Years; May Be Accelerated
Funding Strategy	Special Assessments, Financing, Reserves, or Combination	Special Assessments, Financing, Reserves, or Combination	Reserve Funding, Annual Contributions, Cash Flow Management, Financing if Needed
Construction Delivery	Single Turnkey Contract	Single Turnkey Contract with Independent Oversight	Multiple Procurement Packages and Labor-Only Contracts
Material Procurement	Contractor Purchased	Contractor Purchased with Independent Review	AOAO Bulk Purchasing
Project Management	Contractor Managed	Contractor Managed with Independent Agent CM/ACM Oversight	AOAO Managed Through In-House CM/ACM
Cost Transparency	Limited Visibility into Actual Costs	Independent Cost Verification and Reporting	Open-Book Procurement and Cost Tracking
Change	Contractor and Engineer Review	Independent Agent CM/ACM Review and Recommendation	In-House CM/ACM Review and Board Oversight
Quality Assurance	Contractor Quality Program	Contractor Quality Program Plus Independent Oversight	AOAO Quality Assurance Program

Consideration	Option A Traditional Contractor-Managed Building-Wide Repiping Program	Option B Traditional Building-Wide Repiping Program with Independent Construction Manager Agent (Owner's Representative)	Option C Iikai Five-Year Plumbing Infrastructure Renewal Program with In-House Construction Manager CM and Assistant ACM
Owner Representation	Board, Management, and Engineer	Independent Agent CM/ACM Represents AOAO Interests	In-House CM/ACM Represents AOAO Interests
Owner Participation	Limited	Moderate	Significant
Owner Contractor	Depends on Project Structure	Depends on Project Structure	Owners May Select Their Own Access and Restoration Contractors
Coordination with Owner Renovations	Limited	Limited	Integrated Whenever Practical
Occupancy Objective	Dependent on Contractor Phasing	Occupancy Impacts Independently Monitored	Maintain Normal Occupancy Whenever Practical
Financial Impact on	Larger Financial Impact Over Shorter Period	Larger Financial Impact Over Shorter Period	Costs Distributed Over Multiple Years
Board Oversight Require	Moderate	Moderate to High	Continuous Annual Oversight
Future Flexibility	Limited After Contract Award	Limited After Contract Award	Future Phases May Be Modified Annually
Administrative Complexity	Lowest	Moderate	Highest
Primary Advantage	Fastest Completion	Independent Professional Oversight	Flexibility, Transparency, and Phased Funding
Primary Challenge	Significant Upfront Financial Impact	Additional Professional Services Cost	Longer Program Duration

Illustrative Planning Assumptions Only

Cost figures are conceptual planning estimates provided solely for comparative evaluation of project delivery alternatives. Actual costs will depend upon engineering

design, prototype unit investigations, material takeoffs, supplier quotations, labor bids, project phasing, owner participation, and final approved scope.

Summary

Option A prioritizes speed and simplicity.

Option B prioritizes speed while adding independent professional representation and oversight for the AOAO and owners.

Option C prioritizes flexibility, phased funding, procurement control, owner participation, and long-term asset management.

OPTION A RESOLUTION

Traditional Contractor-Managed Building-Wide Repiping Program

RESOLUTION NO. _____

WHEREAS,

The Board of Directors has determined that replacement of the Association's plumbing infrastructure is necessary to maintain the building and reduce future plumbing failures; and

WHEREAS,

The Board has reviewed engineering studies, cost estimates, funding alternatives, and project delivery options;

NOW, THEREFORE, BE IT RESOLVED THAT:

The Association shall proceed with development and implementation of a traditional building-wide plumbing replacement project utilizing a single construction contract under which the contractor shall furnish labor, materials, supervision, scheduling, procurement, and project management services.

BE IT FURTHER RESOLVED THAT:

Management is authorized to:

1. Complete engineering and design activities.
2. Solicit construction bids.
3. Evaluate funding alternatives, including reserves, financing, special assessments, or a combination thereof.

4. Negotiate contract terms.
5. Present final recommendations to the Board for approval.

BE IT FURTHER RESOLVED THAT:

No construction contract, financing agreement, special assessment, or other major project commitment shall become effective without all approvals required by applicable law, governing documents, lenders, and the Board of Directors.

OPTION B RESOLUTION

Traditional Building-Wide Repiping Program with Independent Construction Manager Agent (Owner's Representative)

RESOLUTION NO. _____

WHEREAS,

The Board of Directors has determined that replacement of the Association's plumbing infrastructure is necessary to maintain the building and reduce future plumbing failures; and

WHEREAS,

The Board has determined that independent construction management oversight may provide additional protection to the Association and its owners through enhanced monitoring of costs, schedules, quality, contractor performance, and change orders;

NOW, THEREFORE, BE IT RESOLVED THAT:

The Association shall proceed with development and implementation of a traditional building-wide plumbing replacement project utilizing a single construction contract together with an independent Construction Manager (CM) and Assistant Construction Manager (ACM) retained to represent the interests of the Association and its owners.

BE IT FURTHER RESOLVED THAT:

Management is authorized to:

1. Complete engineering and design activities.
2. Retain an independent Construction Manager.
3. Retain an Assistant Construction Manager.
4. Solicit construction bids.

5. Evaluate funding alternatives, including reserves, financing, special assessments, or a combination thereof.
6. Negotiate professional services agreements and construction contracts.
7. Present final recommendations to the Board for approval.

BE IT FURTHER RESOLVED THAT:

The Construction Manager and Assistant Construction Manager shall provide independent reporting and recommendations regarding budgeting, scheduling, procurement, construction quality, payment applications, contractor performance, change orders, occupancy impacts, and project administration.

BE IT FURTHER RESOLVED THAT:

No construction contract, financing agreement, special assessment, or other major project commitment shall become effective without all approvals required by applicable law, governing documents, lenders, and the Board of Directors.

OPTION C RESOLUTION

Ilikai Five-Year Plumbing Infrastructure Renewal Program with In-House Construction Manager CM and Assistant ACM

RESOLUTION NO. _____

WHEREAS,

The Board of Directors has determined that replacement of the Association's plumbing infrastructure is necessary to maintain the building and reduce future plumbing failures; and

WHEREAS,

The Board has reviewed alternatives to a traditional project delivery method, including a phased multi-year implementation program;

NOW, THEREFORE, BE IT RESOLVED THAT:

The Association shall proceed with development and implementation of the Ilikai Five-Year Plumbing Infrastructure Renewal Program utilizing phased construction, annual budgeting, reserve funding, bulk material purchasing, labor-only plumbing contracts, owner-funded access and restoration, and other management strategies approved by the Board.

BE IT FURTHER RESOLVED THAT:

Management is authorized to:

1. Develop annual implementation plans.
2. Conduct prototype unit investigations.
3. Prepare budgets and schedules.
4. Solicit bulk material pricing.
5. Solicit labor-only plumbing contractor bids.
6. Retain a Construction Manager.
7. Retain an Assistant Construction Manager.
8. Develop annual procurement packages.
9. Present annual recommendations to the Board for approval.

BE IT FURTHER RESOLVED THAT:

Each phase of the Program shall be subject to annual Board review and approval, including budgets, schedules, procurement strategies, contract awards, funding plans, and implementation priorities.

BE IT FURTHER RESOLVED THAT:

No financing, special assessment, or major project commitment shall become effective without all approvals required by applicable law, governing documents, lenders, and the Board of Directors.

Neutral Closing Statement for the Three Resolutions

All three alternatives are intended to address the Association's plumbing infrastructure replacement needs.

Option A emphasizes completion through a traditional contractor-managed building-wide repiping project utilizing a single comprehensive construction contract.

Option B utilizes a similar traditional construction approach but adds an independent Construction Manager Agent (Owner's Representative (CM)) to provide independent oversight of costs, schedules, quality, contractor performance, change orders, and owner impacts on behalf of the Association and its owners.

Option C emphasizes phased implementation through the Ilikai Five-Year Plumbing Infrastructure Renewal Program utilizing annual budgeting, reserve funding, bulk material purchasing, labor-only plumbing contracts, owner flexibility, and ongoing planning and evaluation.

The Board and owners should evaluate each alternative based upon total cost, funding requirements, project duration, owner impacts, disruption, occupancy considerations, administrative requirements, governance requirements, transparency, flexibility, and long-term operational objectives.

Decision Question

Which approach best serves the owners of the Ilikai?

Option A

Traditional Contractor-Managed Building-Wide Repiping Program

Complete the project as quickly as practical through a traditional contractor-managed construction contract in which the contractor furnishes labor, materials, supervision, procurement, scheduling, and project management services.

Option B

Traditional Building-Wide Repiping Program with Independent Agent CM/ACM (Owner's Representative)

Complete the project through a traditional construction contract while retaining an independent Construction Manager (CM) and Assistant Construction Manager (ACM) to represent the interests of the AOAO and owners through independent review of costs, schedules, quality, contractor performance, change orders, and project administration.

Option C

Ilikai Five-Year Plumbing Infrastructure Renewal Program with In-House CM/ACM

Implement a phased infrastructure renewal program utilizing reserve funding, annual contributions, bulk material purchasing, labor-only plumbing contracts, owner choice for access and restoration work, annual budgeting, and ongoing evaluation designed to provide flexibility, transparency, and long-term planning opportunities while maintaining occupancy and normal operations whenever practical.

Final Observation

None of the three alternatives eliminates the need for plumbing infrastructure replacement. The principal differences involve project delivery method, funding strategy, governance, construction oversight, schedule, owner participation, financial impacts, and long-term operational flexibility. The purpose of this Case Study is to provide the Board and owners with sufficient information to evaluate the relative

merits of each alternative and determine which approach best serves the interests of the Ilikai and its owners.

Appendix

PLUMBING SUPPLIER PACKET FOR MATERIALS TAKEOFF FOR BULK PURCHASE

PROVIDE BUILDING RECORD (AS-BUILT) DRAWINGS FOR TAKE OFF PURPOSES
Building-Wide Plumbing Modernization Program

Prepared for: Estimating Department – [Supplier Name]

Typical suppliers who should provide free takeoffs:

- Ferguson
- HD Supply
- Winsupply
- Consolidated Plumbing Supply
- Hawaii-based distributors (e.g., Pacific Pipe, Hawaii Plumbing Supply)

These companies have in-house estimators who specialize in high-rise takeoffs.

1. Executive Summary

The Ilikai AOAO is planning a multi-year building-wide plumbing modernization project. The AOAO is requesting a formal material takeoff for domestic water and DWV piping systems to support bulk purchasing, cost modeling, and contractor bidding.

This packet provides the preliminary technical information required for your estimating team to begin the takeoff.

2. Project Overview

Building: Ilikai Apartment Building

Address: 1777 Ala Moana Blvd., Honolulu, HI

Stories: 26

Residential Floors: 2–26

Total Units (preliminary model): 1,080

Construction Type: High-rise concrete tower

Plumbing Type: Vertical wet-wall stacks serving paired units

Scope of Work (Common Elements):

- Replace all domestic cold-water risers
- Replace all domestic hot-water risers
- Replace all DWV vertical stacks
- Replace horizontal branch lines where required
- Replace valves, fittings, supports, and couplings
- Standardize materials across all units

1. Unit Mix Summary (Preliminary)

Unit Type	Units per Floor	Floors	Total Units
1-Bedroom	38	Floors 2–25 (24 floors)	912
2-Bedroom	6	Floors 2–25 (24 floors)	144
Penthouse	8 per stack	Floor 26 (3 stacks)	24
Total Units	—	—	**1,080**

2. Typical Unit Layouts (Descriptive)

1-Bedroom Units

- Bathroom and kitchen located along shared wet wall
- Vertical risers serve two units per stack
- Fixtures: lavatory, toilet, shower/tub, kitchen sink
- Domestic water: ½" and ¾"
- DWV: 2", 3", and 4"

2-Bedroom Units

- Larger wet-wall footprint
- Independent pipe run per unit
- Fixtures: two bathrooms + kitchen
- Domestic water: ½", ¾", and occasional 1"
- DWV: 2", 3", and 4"

Penthouse Units

- Custom layouts
- Larger fixture groups
- To be confirmed separately

5. Plumbing System Summary

Domestic Water (Copper Type L or PEX-A)

- ½" branch lines
- ¾" risers
- Isolation valves at each unit
- Vertical risers in shared wet walls
- Horizontal distribution varies by unit type

DWV (Cast Iron No-Hub or PVC Sch 40)

- 2” fixture drains
- 3” bathroom group drains
- 4” main vertical stacks
- No-hub couplings preferred for cast iron
- Standardized fittings required

6. Preliminary Pipe Quantities (Per Unit Type)

(These are estimates for supplier validation)

1-Bedroom Units (per pipe run serving 2 units)

- Domestic cold: 20–30 ft
- Domestic hot: 20–30 ft
- DWV: 25–40 ft
- Fittings: standard fixture group
- Valves: 2–3 isolation valves

2-Bedroom Units (per unit)

- Domestic cold: 40–60 ft
- Domestic hot: 40–60 ft
- DWV: 50–80 ft
- Fittings: expanded fixture group
- Valves: 3–5 isolation valves

Penthouse Units

- To be determined after layout review

7. Stack Information

The Ilikai has three vertical plumbing stacks running from floors 2–26.

Each stack includes:

- Domestic cold riser
- Domestic hot riser
- DWV stack
- Horizontal branches per floor
- Shared wet walls for 1-BR units
- Independent wet walls for 2-BR units
-

8. Project Phasing (Preliminary)

Phase 1 – Prototype Units

- One 1-BR unit
- One 2-BR unit
- Used to confirm quantities and access requirements

Phase 2 – Stack 1 (Floors 2–26)

- Full vertical replacement
- Horizontal branches as required

Phase 3 – Stack 2 (Floors 2–26)
Phase 4 – Stack 3 (Floors 2–26)
Phase 5 – Penthouse Level (Floor 26)

9. Requested Deliverables from Supplier

Please provide:

a. Full material takeoff, including:
    - Linear feet of each pipe size
    - Quantity of fittings, couplings, valves, supports
    - Recommended quantities based on 10-ft lengths
    - Any substitutions or value-engineering options

b. Bulk pricing, including:
    - Tiered volume discounts
    - Palletized delivery options
    - Lead times and availability
    - Freight considerations for Honolulu

c. Material specification sheets
    - Copper Type L
    - PEX-A
    - Cast iron no-hub
    - PVC Sch 40
    - Valves and couplings

d. Any additional information needed to complete the takeoff

10. AOAO Contact Information

Primary Contact:

General Manager – Ilikai AOAO

1777 Ala Moana Blvd.

Honolulu, HI 96815

Phone: (808) 949-3828

Email: [GM email]

Secondary Contact (Project Coordination):

Ilikai AOAO Board of Directors

Email: [Board email]

PRELIMINARY SPECIFICATIONS FOR ILIKAI HOTEL & LUXURY SUITES UNIT RENOVATION AND IMPROVEMENT PROJECTS

Project: _____

Unit No.: _____

Owner: _____

Date: _____

DIVISION 1
GENERAL REQUIREMENTS

- All work shall comply with applicable federal, state, county, and local laws, ordinances, regulations, codes, and permit requirements.
- All work shall comply with requirements of the AOAO of the Ilikai Hotel & Luxury Suites and Building Management.
- Contractor shall verify all dimensions and field conditions before commencing work.
- Contractor shall inspect existing conditions and report discrepancies before proceeding.
- Contractor shall maintain the premises in a neat, safe, clean condition throughout construction.
- Contractor shall provide dust protection and floor protection in all affected areas.
- Contractor shall remove debris regularly and shall not allow accumulation of waste materials.
- Contractor shall protect Owner's property and adjacent units from damage.
- Contractor shall obtain all permits unless otherwise directed by Owner.
- Contractor shall coordinate inspections required by authorities having jurisdiction.

DIVISION 2
CONTRACTOR COMPLIANCE, INSURANCE, AND BUILDING REQUIREMENTS
A. Contractor Qualifications

- Contractor shall possess and maintain all licenses, permits, registrations, and certifications required by the State of Hawaii and all authorities having jurisdiction over the Work.
- Contractor shall comply with all applicable federal, state, county, and local laws, ordinances, regulations, and codes.
- Contractor shall furnish copies of licenses, permits, certifications, and insurance documentation upon request by Owner, AOAO, Building Management, Architect, Engineer, or Consultant.
- Contractor shall verify all dimensions, existing conditions, utility locations, and field conditions before commencing work.
- Contractor acknowledges that renovation work within an existing condominium building may expose concealed conditions not visible during bidding. Contractor shall promptly notify Owner of such conditions and shall not proceed with affected work without Owner authorization.

B. Independent Contractor

- Contractor is and shall remain an independent contractor.
- Nothing contained in these Specifications shall be construed to create an employment relationship, partnership, joint venture, or agency relationship between Owner and Contractor.
- Nothing contained herein shall create any contractual relationship between Owner and Contractor's subcontractors, suppliers, employees, or agents.

C. Building Compliance

- Contractor shall comply with all requirements of the AOAO of the Ilikai Hotel & Luxury Suites, Building Management, House Rules, Renovation Guidelines, and other governing documents.
- Contractor shall obtain all required approvals before commencing work.
- Contractor shall comply with building work hours, elevator reservation procedures, material delivery requirements, security requirements, parking restrictions, and debris removal requirements.
- Contractor shall ensure that all subcontractors, suppliers, and delivery personnel comply with applicable building regulations.

D. Jobsite Conduct

- Contractor shall maintain the premises in a clean, orderly, safe, and professional condition at all times.
- Smoking, alcohol, illegal substances, and disorderly conduct are prohibited anywhere on the property.

- Contractor shall minimize excessive noise, vibration, dust, odors, and disruptions affecting neighboring units and hotel guests.
- Construction materials, tools, equipment, and debris shall be stored only in locations approved by Building Management.

E. Protection of Property

- Contractor shall protect all common areas, elevators, hallways, lobbies, recreational facilities, adjacent units, finishes, fixtures, furnishings, landscaping, and building systems from damage.
- Contractor shall provide floor protection, wall protection, dust barriers, temporary enclosures, and other protective measures required by Building Management.
- Contractor shall immediately report any damage to Owner and Building Management.
- Contractor shall immediately repair, replace, or reimburse the cost of repairing any damage resulting from Contractor's operations.
- Contractor shall be responsible for damage caused by Contractor, subcontractors, suppliers, vendors, or delivery personnel.

F. Water Intrusion Protection

- Contractor shall take all necessary precautions to prevent water intrusion into the unit, adjacent units, common elements, and building systems.
- Contractor shall be responsible for any damage caused by water penetration, plumbing leaks, weather exposure, inadequate protection of the Work, or failure of temporary safeguards.
- All resulting repairs shall be performed at Contractor's sole expense.

G. Post-Tension and Structural Protection

- Contractor shall not drill, saw-cut, core drill, chip, notch, anchor into, penetrate, or otherwise modify any structural slab, beam, column, wall, or structural member without prior written approval from Owner, Building Management, and any required structural engineer.
- Contractor shall verify the location of post-tension cables, reinforcing steel, embedded conduits, utilities, plumbing systems, and fire protection systems before performing any penetration work.
- Contractor shall be solely responsible for damage to post-tension cables, reinforcing steel, embedded utilities, fire protection systems, or structural components.

H. Subcontractors

- Contractor shall be fully responsible for the acts, omissions, workmanship, safety compliance, and performance of all subcontractors, suppliers, laborers, and agents.
- All subcontractors shall possess licenses required by the State of Hawaii.
- Contractor shall ensure that all subcontractors comply with these Specifications and AOAO requirements.

I. Code Compliance

- All work shall comply with applicable building, electrical, plumbing, mechanical, fire, accessibility, health, and energy codes.
- Contractor shall notify Owner immediately upon discovery of concealed conditions, deficient construction, or code violations.
- Contractor shall not proceed with affected work until Owner provides direction.

J. Safety Requirements

- Contractor shall comply with all OSHA, HIOSH, and applicable safety requirements.
- Contractor shall provide and maintain all safeguards required to protect workers, residents, guests, visitors, and the public.
- Contractor shall maintain emergency contact information at the project site.
- Unsafe conditions shall be corrected immediately.

K. Stop Work Authority

- Owner and Building Management reserve the right to stop work that presents an immediate safety hazard, violates building requirements, threatens persons or property, or is being performed without required approvals.
- Such action shall not relieve Contractor of responsibility for timely completion of the Work.

L. Inspections and Deficiencies

- Contractor shall cooperate fully with inspections by Owner, Building Management, Architects, Engineers, Consultants, and governmental authorities.
- Defective, unapproved, or non-conforming work shall be corrected at Contractor's sole expense.
- Contractor shall bear all costs of correction, reinspection, testing, and reconstruction resulting from defective work.

M. Insurance Requirements

General

- Contractor shall maintain insurance issued by companies licensed to conduct business in the State of Hawaii.
- Insurance shall remain in force throughout the Work and applicable warranty periods.
- Certificates of Insurance and required endorsements shall be submitted before commencement of work.

Commercial General Liability

Minimum Limits:

- $1,000,000 Each Occurrence
- $2,000,000 General Aggregate
- $2,000,000 Products and Completed Operations Aggregate
- $1,000,000 Personal and Advertising Injury

Automobile Liability

Minimum Limits:

- $1,000,000 Combined Single Limit Per Accident

Workers' Compensation

- As required by Hawaii law.

Employer's Liability:

- $1,000,000 Each Accident
- $1,000,000 Disease Policy Limit
- $1,000,000 Disease Each Employee

Umbrella Liability

Minimum Limits:

- $1,000,000 Per Occurrence

Additional Insureds

Where required by the Owner or AOAO, the following parties shall be named as Additional Insureds:

- Owner
- AOAO of the Ilikai Hotel & Luxury Suites
- Building Management Company
- Other parties required by contract

Insurance Documentation

- Certificates of Insurance and Additional Insured Endorsements shall be submitted before mobilization.
- A Certificate of Insurance alone shall not satisfy the Additional Insured requirement.
- Contractor shall promptly notify Owner and Building Management of policy cancellation, non-renewal, reduction in limits, or material modification of coverage.

Subcontractor Insurance

- Contractor shall require all subcontractors to maintain insurance equal to or greater than the requirements contained herein.
- Contractor shall furnish evidence of such coverage upon request.

N. Indemnification

- To the fullest extent permitted by law, Contractor shall indemnify and hold harmless Owner, AOAO of the Ilikai Hotel & Luxury Suites, Building Management, and their officers, directors, agents, and representatives from claims, damages, losses, liabilities, costs, and expenses, including reasonable attorneys' fees, to the extent caused by the negligent acts, errors, omissions, or willful misconduct of Contractor, its subcontractors, suppliers, or persons directly or indirectly employed by them.

O. Project Documentation

- Contractor shall maintain current copies of permits, approved plans, inspection reports, product data, shop drawings, and material specifications.
- Upon completion of the Work, Contractor shall provide all warranties, maintenance information, operation manuals, and closeout documentation.

P. Non-Compliance

- Failure to comply with these Specifications, AOAO requirements, approved plans, permit conditions, insurance requirements, safety requirements, or applicable laws and codes shall constitute grounds for suspension of Work.

- Costs, fines, penalties, corrective work, remediation expenses, and damages resulting from Contractor's non-compliance shall be borne solely by Contractor.

Q. No Third-Party Beneficiaries

- Nothing contained in these Specifications shall de rights in favor of any person or entity not a party to the construction contract.

R. Contractor Acknowledgment

- Submission of a proposal, execution of a contract, or commencement of work shall constitute Contractor's acknowledgment that Contractor has reviewed and agrees to comply with these Specifications, applicable codes, AOAO requirements, and Building Management requirements.

DIVISION 3
DEMOLITION AND PROTECTION

- Demolition shall be limited to areas shown on approved plans.
- Existing building systems to remain shall be protected.
- Contractor shall verify utility shutoffs prior to demolition.
- No structural demolition shall be performed without written approval.
- Debris shall be removed daily.
- Contractor shall provide temporary barriers as necessary.

Water Intrusion Protection

- Contractor shall protect the Work from weather and water intrusion.
- Any damage resulting from water infiltration shall be repaired by Contractor at no cost to Owner.

Post-Tension Slab Protection

- Contractor shall not drill or penetrate post-tension slabs without prior written approval.
- Contractor shall locate post-tension cables before performing penetrations.
- Damage to structural components shall be repaired at Contractor's expense.

DIVISION 4
CARPENTRY AND FRAMING

- Finish carpentry shall conform to Woodwork Institute Custom Grade standards.

- Wood framing shall be straight, plumb, level, and securely fastened.
- Metal framing shall comply with ASTM standards.
- Framing materials shall be suitable for intended use and installed according to manufacturer's requirements.
- All concealed framing shall be inspected before covering.

DIVISION 5
CABINETS AND COUNTERTOPS

- Contractor shall verify all field dimensions.
- Cabinets shall conform to WIC Custom Grade standards.
- Cabinets shall be installed level, plumb, and flush.
- Countertop materials shall be as selected by Owner.
- Colors, patterns, and finishes shall be approved by Owner prior to fabrication.

DIVISION 6
WATERPROOFING AND TILE

- Shower pans shall utilize Chloraloy, copper, or approved equivalent systems.
- Waterproofing shall be continuous and free from voids.
- Tile installations shall comply with ANSI and TCNA standards.
- Tile layouts, patterns, grout colors, and trim selections shall be approved by Owner.
- Tile leveler spacers shall be utilized.
- Outside corners shall be mitered where practical.

DIVISION 7
DOORS, FRAMES, AND HARDWARE

- Entry door shall comply with AOAO requirements.
- Entry door threshold shall comply with AOAO requirements.
- Entry door peek hole shall comply with AOAO requirements.
- Entry door hardware shall comply with AOAO requirements.
- Hardware shall be of commercial quality.
- Interior doors shall be selected by Owner.
- Sliding glass doors shall match existing building appearance and be approved by AOAO.

DIVISION 8
DRYWALL AND FINISHES

- Gypsum board shall be installed according to manufacturer's requirements.
- Moisture-resistant board shall be installed in wet locations.
- Cement backer board shall be installed under tile finishes.

- Finishes shall be smooth and free from defects.
- Texture samples shall be approved by Owner before application.

DIVISION 9
FLOORING

- Flooring materials shall be selected by Owner.
- Underlayment systems shall comply with AOAO acoustic requirements.
- Sound and moisture barriers shall be installed where required.
- Flooring installations shall comply with manufacturer's instructions.
- Contractor shall provide documentation demonstrating compliance with sound transmission requirements.

DIVISION 10
PAINTING

- Surfaces shall be clean, dry, and properly prepared.
- Paints shall be low-VOC products.
- Apply primer and minimum two finish coats unless otherwise directed.
- Work shall comply with PDCA standards.
- Completed finishes shall be uniform and free from visible defects.

DIVISION 11
PLUMBING AND FIRE SPRINKLERS

- Plumbing work shall be performed by properly licensed contractors.
- Shutoffs, valves, fixtures, and trim shall be as selected by Owner.
- Supply lines shall be stainless steel braided.
- Water heaters shall be installed with drain pans.
- Fire sprinkler work shall be performed only by licensed fire sprinkler contractors.
- Fire sprinkler modifications shall receive required AOAO approvals.

DIVISION 11A - PIPING REPLACEMENT COORDINATION REQUIREMENTS
General

- Contractor acknowledges that the building may be subject to ongoing or future domestic water, waste, vent, drain, fire protection, or other piping replacement projects affecting individual units and common elements.
- Contractor shall coordinate renovation work with Owner, AOAO, Building Management, and any designated piping replacement consultant or contractor.

- Contractor shall familiarize itself with current and planned piping replacement work prior to commencement of construction.

Investigation of Existing Conditions

- Prior to commencing work, Contractor shall review available plumbing replacement plans and verify locations of existing piping systems.
- Contractor shall notify Owner of any building piping components located within walls, ceilings, soffits, chases, cabinets, or floor systems affected by the Work.
- Contractor shall advise Owner of any renovation work that may interfere with future piping replacement access.

Access Panel Requirements

- Contractor shall incorporate access panels where required by Owner, Building Management, or AOAO for future inspection, maintenance, repair, or replacement of piping systems.
- Access panels shall be of sufficient size to permit reasonable access to valves, cleanouts, piping connections, and other serviceable components.
- Locations and finishes shall be approved by Owner prior to installation.

Coordination with Future Repiping

- Contractor shall make reasonable efforts to avoid concealing piping locations that may require future access.
- Where practical, finishes shall be designed and constructed to minimize demolition required for future piping replacement work.
- Contractor shall notify Owner when proposed construction may substantially increase future piping replacement costs.

Plumbing Modifications

- Any relocation of fixtures, drains, vents, water lines, cleanouts, or branch piping shall be reviewed for compatibility with existing and future building piping replacement programs.
- Contractor shall verify that proposed plumbing modifications do not adversely affect common area systems or adjacent units.
- Existing shutoff valves, cleanouts, and service points shall remain accessible unless otherwise approved.

Documentation

- Contractor shall document the final location of all new concealed plumbing piping installed as part of the Work.
- Contractor shall provide photographs of concealed piping prior to closure of walls, ceilings, soffits, and cabinetry.
- Digital photographs shall become part of the Project closeout documents.

Owner Notification

- If Contractor discovers deteriorated, leaked, corroded, defective, non-compliant, or potentially failing piping systems, Contractor shall immediately notify Owner before proceeding with affected work.
- Contractor shall not conceal known deficiencies without written direction from Owner.

Future Access Acknowledgment

- Owner acknowledges that future building-wide piping replacement projects may require removal of finishes, cabinets, drywall, tile, flooring, ceilings, or other improvements installed as part of this Project.
- Unless specifically provided otherwise by contract, Contractor shall not be responsible for future demolition required to accommodate subsequent piping replacement work performed by others.

Recommended Upgrades During Renovation

When walls, ceilings, soffits, floors, or plumbing chases are opened during renovation, Owner should evaluate replacement of:

- Domestic hot water piping
- Domestic cold-water piping
- Drain piping
- Vent piping
- Fixture isolation valves
- Branch shutoff valves
- Angle stops
- Flexible supply connectors
- Cleanouts
- Fire sprinkler branch lines where they are permitted

Waiver of Future Claims

- Owner acknowledges that Contractor has advised Owner to investigate current and future building piping replacement requirements before completion of the Work.

- Contractor shall not be responsible for future damage to finishes resulting from piping replacement work performed by others after substantial completion of the Project.

DIVISION 12
MECHANICAL

- Mechanical systems shall comply with applicable codes.
- Condensate drains shall be properly connected and supported.
- Equipment shall be installed according to manufacturer's requirements.
- Penetrations shall be properly sealed and fire-stopped.

DIVISION 13
ELECTRICAL

- Electrical work shall be performed by properly licensed contractors.
- Wiring shall comply with National Electrical Code requirements as adopted by Hawaii.
- Devices, switches, dimmers, and fixtures shall be approved by Owner.
- Contractor shall verify existing electrical capacity before installation of new loads.

DIVISION 14
PROJECT CLOSEOUT

Contractor shall provide:

- Final cleaning.
- Warranty documents.
- Product manuals.
- Maintenance instructions.
- As-built drawings when required.
- Final inspection approvals.
- Permit sign-off documentation.

DIVISION 15
WARRANTY

- Contractor shall warrant labor and materials for a minimum of one (1) year from substantial completion.
- Warranty shall include correction of defects resulting from workmanship or material deficiencies.
- Contractor shall respond to warranty claims within a reasonable period after notification.

- Manufacturer warranties shall be transferred to Owner.

INSTRUCTIONS FOR SUBMITTING BIDS FOR UNIT RENOVATION AND IMPROVEMENT PROJECTS

Purpose

The purpose of these Specifications, Bid Forms, Unit Pricing Schedules, and supporting documents is to obtain complete, responsive, and comparable proposals from qualified contractors for condominium renovation and improvement projects.

Contractors shall carefully review all Contract Documents, Specifications, Drawings, Unit Pricing Forms, and Building Requirements before preparing their proposals.

Examination of Existing Conditions

- Contractor shall visit the project site and thoroughly examine existing conditions before submitting a proposal.
- Submission of a proposal shall constitute acknowledgment that Contractor is familiar with existing conditions and has considered all visible conditions affecting the Work.
- Failure to inspect the site shall not relieve Contractor from performing the Work for the submitted price.
- Contractor shall immediately notify Owner of discrepancies, omissions, or conditions requiring clarification before submitting a proposal.

Bid Submission Requirements

Each Contractor shall submit the following:

Required Documents

- Contractor Proposal
- Completed Contractor Unit Pricing Form
- Proposed Schedule of Values
- Preliminary Project Schedule
- Current Contractor License Information
- Certificate of Insurance
- List of Proposed Subcontractors
- References for Similar Projects
- Proposed Allowances
- Material and Product Submittals, if requested

Failure to submit required documentation may result in rejection of the proposal.

Lump Sum Pricing

Contractor shall provide:

- Total Lump Sum Price
- Separate identification of Allowances
- Separate identification of Alternate Prices
- Separate identification of Unit Prices
- Separate identification of Exclusions

The Lump Sum Price shall include all labor, materials, equipment, supervision, overhead, profit, taxes, insurance, cleanup, and incidentals required to complete the Work.

Unit Pricing Requirements

Contractor shall complete the Contractor Unit Pricing Form and provide unit prices whenever reasonably practical.

Unit prices shall include:

- Labor
- Materials
- Equipment
- Small Tools
- Supervision
- Overhead
- Profit
- Insurance
- Taxes
- Cleanup

Unit prices shall be utilized for:

- Changes in Quantities
- Concealed Conditions
- Additional Work %
- Deductive Changes %
- Future Piping Replacement Coordination Work
- Change Orders

Accepted unit prices shall remain valid for a minimum period of twelve (12) months following contract award unless otherwise agreed in writing.

Alternates

Owner may request alternate pricing for specific materials, systems, products, or scope modifications.

Contractor shall clearly identify:

- Added Cost Alternates
- Deductive Alternates
- Voluntary Value Engineering Alternatives

Alternates shall be separate from the Base Bid.

Allowances

Where allowances are specified:

- Contractor shall identify allowance amounts separately.
- Contractor shall identify overhead and profit percentages applicable to allowance expenditures.
- Unused portions of allowances shall be credited to Owner.

Schedule Requirements

Contractor shall provide an estimated construction schedule indicating:

- Mobilization
- Demolition
- Rough Construction
- Inspections
- Finish Work
- Substantial Completion
- Final Completion

Contractor shall identify long-lead items that may affect project completion.

Concealed Conditions

Contractor shall identify foreseeable concealed conditions based upon site observations.

Contractor shall specifically address:

- Piping Replacement Issues

- Fire Sprinkler Relocation Requirements
- Electrical Capacity Concerns
- Structural Constraints
- Waterproofing Conditions
- Asbestos or Hazardous Material Concerns

Piping Replacement Coordination

Contractor shall carefully review the Piping Replacement Coordination Requirements.

Contractor shall identify:

- Areas where future piping access may be required.
- Proposed access panels.
- Recommendations for preserving future piping access.
- Cost impacts associated with future repiping work.
- Unit pricing for restoration work associated with future piping replacement projects.

Bid Validity

Contractor's proposal shall remain valid for not less than sixty (60) calendar days after submission unless otherwise stated in writing.

Contractor Qualifications

Contractor shall be properly licensed and qualified to perform the Work.

Owner reserves the right to request:

- Financial Information
- Bonding Capacity Information
- Additional References
- Evidence of Similar Project Experience
- Subcontractor Qualifications

Right to Reject Proposals

Owner reserves the right to:

- Reject any or all proposals.
- Waive informalities or irregularities.

- Request clarifications.
- Negotiate scope modifications.
- Request revised pricing.
- Award contracts in the best interest of the Owner.

Lowest price alone shall not determine award.

Proposal Certification

Submission of a proposal certifies that Contractor:

- Has reviewed the Contract Documents.
- Has visited the project site or has had the opportunity to do so.
- Understands existing conditions.
- Agrees to comply with AOAO requirements.
- Agrees to comply with Building Management requirements.
- Has included all costs necessary to complete the Work as specified.
- Has completed the Contractor Unit Pricing Form accurately and in good faith.

Owner reserves the right to utilize submitted unit prices for evaluation of bids, negotiation of change orders, pricing of concealed conditions, future repair work, repiping coordination work, and additions or deletions to the Contract Scope.

CONTRACTOR UNIT PRICING FORM FOR UNIT RENOVATION AND IMPROVEMENT PROJECTS

Ilikai Hotel & Luxury Suites

Project: _____

Unit No.: _____

Owner: _____

Contractor: _____

Emergency Contact Telephone Number: _____

Date: _____

CONTRACTOR CERTIFICATION

Contractor certifies that the following unit prices include all labor, materials, equipment, supervision, overhead, profit, taxes, insurance, permits (if applicable), cleanup, and incidental costs necessary to complete the work.

Unit prices shall remain valid for a period of twelve (12) months from proposal date unless otherwise approved by Owner.

Contractor Initials: _____

DEMOLITION

Description	Unit	Unit Price
Drywall Removal	SF	$_____
Ceiling Removal	SF	$_____
Ceramic Tile Removal	SF	$_____
Flooring Removal	SF	$_____
Cabinet Removal	LF	$_____
Countertop Removal	SF	$_____
Concrete Scanning	EA	$_____
Core Drilling Up to 4"	EA	$_____
Core Drilling Over 4"	EA	$_____

FRAMING AND DRYWALL

Description	Unit	Unit Price
Metal Stud Framing	SF	$_____
Wood Framing	SF	$_____
1/2" Drywall Installation	SF	$_____
Moisture Resistant Drywall	SF	$_____
Cement Board Installation	SF	$_____
Drywall Patching	SF	$_____
Ceiling Drywall Installation	SF	$_____
Soffit Construction	LF	$_____

WATERPROOFING

Description	Unit	Unit Price
Liquid Waterproofing	SF	$_____
Shower Pan Waterproofing	SF	$_____
Waterproof Membrane Installation	SF	$_____

TILE

Description	Unit	Unit Price
Floor Tile Installation	SF	$_____
Wall Tile Installation	SF	$_____
Shower Tile Installation	SF	$_____
Tile Base Installation	LF	$_____
Decorative Accent Tile	SF	$_____
Grout Removal and Regrouting	SF	$_____

CABINETS AND COUNTERTOPS

Description	Unit	Unit Price
Base Cabinets	LF	$_____
Wall Cabinets	LF	$_____
Cabinet Removal and Reinstallation	LF	$_____
Quartz Countertops	SF	$_____
Granite Countertops	SF	$_____
Solid Surface Countertops	SF	$_____
Backsplash Installation	SF	$_____

FLOORING

Description	Unit	Unit Price
Luxury Vinyl Plank Flooring	SF	$_____
Engineered Wood Flooring	SF	$_____
Tile Flooring	SF	$_____
Carpet Installation	SF	$_____
Sound Underlayment	SF	$_____
Moisture Barrier	SF	$_____
Floor Leveling Compound	SF	$_____

PAINTING

Description	Unit	Unit Price
Wall Painting	SF	$_____
Ceiling Painting	SF	$_____
Baseboard Painting	LF	$_____
Door Painting (Each Side)	EA	$_____
Trim Painting	LF	$_____

PLUMBING

Description	Unit	Unit Price
Domestic Cold-Water Pipe	LF	$_____
Domestic Hot Water Pipe	LF	$_____
Drain Piping	LF	$_____
Vent Piping	LF	$_____
Angle Stop Replacement	EA	$_____
Toilet Replacement	EA	$_____
Lavatory Replacement	EA	$_____
Kitchen Sink Replacement	EA	$_____
Shower Valve Replacement	EA	$_____
Bathtub Installation	EA	$_____
Water Heater Replacement	EA	$_____

PIPING REPLACEMENT COORDINATION WORK

Description	Unit	Unit Price
Open Wall for Repiping Access	SF	$_____
Open Ceiling for Repiping Access	SF	$_____
Drywall Removal and Replacement	SF	$_____

Description	Unit	Unit Price
Tile Removal and Replacement	SF	$_____
Cabinet Removal and Reinstallation	LF	$_____
Soffit Removal and Reconstruction	LF	$_____
Piping Chase Reconstruction	LF	$_____
Access Panel Installation	EA	$_____
Firestopping at Penetrations	EA	$_____

FIRE SPRINKLER WORK

Description	Unit	Unit Price
Fire Sprinkler Head Relocation	EA	$_____
Fire Sprinkler Head Replacement	EA	$_____
Sprinkler Branch Line Modification	LF	$_____
Sprinkler Escutcheon Replacement	EA	$_____

ELECTRICAL

Description	Unit	Unit Price
Duplex Receptacle Installation	EA	$_____
GFCI Receptacle Installation	EA	$_____
Switch Installation	EA	$_____
Dimmer Installation	EA	$_____
Light Fixture Installation	EA	$_____
Dedicated Circuit Installation	EA	$_____
Electrical Conduit	LF	$_____
Wiring Installation	LF	$_____
Relocate Electric Panel	EA	$_____

POST-TENSION AND CONCRETE WORK

Description	Unit	Unit Price
Concrete Scanning	EA	$_____
X-Ray or PT Scan Coordination	EA	$_____
Core Drill 1" to 4"	EA	$_____
Core Drill Over 4"	EA	$_____
Concrete Patching	EA	$_____

TIME AND MATERIAL RATES

Description	Rate
Project Manager	$_____ / Hour
Superintendent	$_____ / Hour
Foreman	$_____ / Hour
Journeyman Carpenter	$_____ / Hour
Journeyman Plumber	$_____ / Hour
Journeyman Electrician	$_____ / Hour
Drywall Installer	$_____ / Hour
Painter	$_____ / Hour
Laborer	$_____ / Hour

MARKUP LIMITATIONS

Contractor shall identify maximum markups applicable to change orders.

Category	Percentage
Contractor Overhead	_____%
Contractor Profit	_____%
Subcontractor Overhead	_____%
Subcontractor Profit	_____%
Deduct Work	_____%
Add Work	_____%

CONTRACTOR ACKNOWLEDGMENT

The undersigned certifies that the above unit prices are accurate and may be used as the basis for evaluating additions, deletions, concealed conditions, repiping coordination work, and change orders during construction.

Contractor Name: _____

Authorized Representative: _____

Title: _____

Signature: _____

Date: _____

AOAO INSTRUCTIONS FOR SUBMITTING BIDS LABOR ONLY PIPE REPLACEMENT PROJECTS

Ilikai Hotel & Luxury Suites

Project Description

The Association is soliciting proposals from qualified plumbing contractors for labor-only installation services associated with unit piping replacement work.

All piping materials, fittings, valves, supports, escutcheons, and related materials will be supplied by the AOAO or its designated representative unless otherwise specifically identified in the Contractor's proposal.

The intent of this bid is to establish standardized labor pricing for unit piping replacement work and related restoration activities.

BID SUBMISSION REQUIREMENTS

Each Contractor shall submit:

- Contractor's License Information
- Certificate of Insurance
- List of Key Personnel
- References for Similar High-Rise Repiping Projects
- Unit Labor Pricing Form
- Proposed Production Schedule
- Proposed Crew Size
- Hourly Labor Rates
- Proposed Markups (if any)
- Safety Program Information

CONTRACTOR ACKNOWLEDGMENT

Contractor acknowledges:

- All piping materials will be supplied by Owner unless otherwise noted.
- Contractor is responsible for labor, supervision, tools, transportation, safety equipment, and incidental materials necessary to complete the Work.
- Contractor shall field verify all conditions prior to submitting bid.
- Contractor shall coordinate work with residents, Building Management, and Owner's Representative.
- Unit prices shall remain valid for twelve (12) months.

Contractor Initials: _____

UNIT LABOR PRICING FORM KITCHEN PLUMBING

Kitchen Sink Branch Repipe

Removal and replacement of kitchen sink supply piping, waste piping, vent piping, valves, and connections as identified by the Project Documents.

Unit Price Per Kitchen:

$ _____

Kitchen Vertical Stack Connection

Connection of kitchen branch piping to existing or new vertical riser.

Unit Price Per Connection:

$ _____

Kitchen Sink Shutoff Valves

Labor only to replace angle stops and reconnect fixtures.

Unit Price Per Sink:

$ _____

Kitchen Cabinet Protection and Access

Protection, limited removal, and reinstallation of cabinet components necessary to perform piping work.

Unit Price Per Kitchen:

$ _____

Kitchen Completion

Pressure testing, leak testing, cleanup, and final inspection.

Unit Price Per Kitchen:

$ _____

BATHROOM PLUMBING

Bathroom Sink Repipe

Removal and replacement of lavatory supply, waste, and vent piping.

Unit Price Per Bathroom:

$ _____

Toilet Reconnection

Disconnect and reconnect toilet as required for piping replacement.

Unit Price Per Toilet:

$ _____

Tub/Shower Valve Repipe

Labor to remove and replace piping serving tub or shower valve assembly.

Unit Price Per Valve:

$ _____

Bathroom Branch Piping

Replacement of hot water, cold water, drain, and vent branch piping serving one bathroom group.

Unit Price Per Bathroom:

$ _____

Bathroom Completion

Pressure testing, leak testing, cleanup, and inspection.

Unit Price Per Bathroom:

$ _____

COMPLETE UNIT PRICING
Studio Unit

Complete labor to perform kitchen and bathroom piping replacement within one studio unit.

Unit Price Per Studio Unit:

$ _____

One-Bedroom Unit

Complete labor to perform kitchen and bathroom piping replacement within one one-bedroom unit.

Unit Price Per Unit:

$ _____

Two-Bedroom Unit

Complete labor to perform kitchen and bathroom piping replacement within one two-bedroom unit.

Unit Price Per Unit:

$ _____

ADDITIONAL WORK

Overtime Labor

Regular Plumbing Mechanic

$ _____ Per Hour

Foreman

$ _____ Per Hour

Helper

$ _____ Per Hour

Access Difficulty Adjustment

Where access conditions substantially differ from typical unit conditions.

Additional Price:

$ _____ Per Occurrence

Emergency Leak Response

Emergency response outside normal working hours.

$ _____ Per Occurrence

DAILY PRODUCTION CAPACITY

Contractor shall identify anticipated production capacity:

Work Item	Quantity Per Day
Kitchens Completed	_____
Bathrooms Completed	_____
Units Completed	_____
Personnel Assigned	_____

ALTERNATE RESTORATION PRICING

If requested, provide labor-only pricing for:

Description	Unit Price
Open Drywall	$ _____ SF
Replace Drywall	$ _____ SF
Texture Match	$ _____ SF
Paint Wall	$ _____ SF
Remove Tile	$ _____ SF
Replace Tile	$ _____ SF
Access Panel Installation	$ _____ EA

BID PRICING BREAKOUT

Contractors shall provide separate labor-only pricing for:

Kitchen Plumbing

Item	Unit	Price
Kitchen Water Piping Replacement	Per Kitchen	$_____
Kitchen Drain/Vent Replacement	Per Kitchen	$_____

Kitchen Complete Repipe	Per Kitchen	$_____

Bathroom Plumbing

Item	Unit	Price
Bathroom Water Piping Replacement	Per Bathroom	$_____
Bathroom Drain/Vent Replacement	Per Bathroom	$_____
Tub/Shower Valve Repipe	Each	$_____
Complete Bathroom Repipe	Per Bathroom	$_____

Unit Pricing

Item	Unit	Price
Studio Unit Repipe	Per Unit	$_____
One-Bedroom Unit Repipe	Per Unit	$_____
Two-Bedroom Unit Repipe	Per Unit	$_____

This structure will give the Ilikai the ability to compare contractors on a true apples-to-apples basis and determine costs for a kitchen only, a bathroom only, or a complete unit repipe without renegotiating pricing later.

CONTRACTOR CERTIFICATION

The undersigned certifies that the submitted prices include all labor, supervision, transportation, tools, small equipment, overhead, profit, insurance, testing, cleanup, and incidental costs necessary to complete the Work.

Contractor Name: _____

Authorized Representative: _____

Signature: _____

Date: _____

Important: Request **three prices** from each contractor:

3. **Kitchen Repipe Labor Only Price (per kitchen)**
4. **Bathroom Repipe Labor Only Price (per bathroom)**
5. **Full Unit Repipe Labor Only Price (per unit type)**

This makes bid comparisons much easier and allows the AOAO to issue change orders for individual kitchens or bathrooms without renegotiating labor rates.

AOAO SCOPE OF WORK LABOR-ONLY PIPE REPLACEMENT PROJECTS

Ilikai Hotel & Luxury Suites

General

The Contractor shall provide all labor, supervision, tools, equipment, transportation, safety equipment, temporary protection, testing, cleanup, coordination, and incidental services necessary to complete the Work.

Unless specifically noted otherwise, all piping materials, valves, fittings, supports, escutcheons, insulation, and related plumbing materials shall be furnished by the AOAO or its designated representative.

Contractor shall verify all field conditions prior to commencing work.

MOBILIZATION AND COORDINATION

Contractor shall:

- Coordinate scheduling with Building Management.
- Coordinate access with unit owners and residents.
- Attend coordination meetings as required.
- Protect all existing finishes that are to remain.
- Provide temporary dust barriers where required.
- Maintain safe access through work areas.

KITCHEN PLUMBING SCOPE

Kitchen Preparation

Contractor shall:

- Protect countertops, cabinets, flooring, appliances, and adjacent finishes.
- Remove cabinet contents only if specifically directed.
- Disconnect plumbing fixtures necessary to perform the Work.
- Verify existing plumbing conditions before proceeding.

Kitchen Demolition

Contractor shall:

- Remove drywall, backing, access panels, and finishes necessary to access piping.

- Carefully remove and store cabinet components where required.
- Remove existing piping identified for replacement.

Kitchen Water Piping

Contractor shall provide labor to:

- Remove existing domestic cold-water piping.
- Remove existing domestic hot-water piping.
- Install new domestic cold-water piping supplied by Owner.
- Install new domestic hot-water piping supplied by Owner.
- Install required supports and restraints.
- Install supplied shutoff valves.
- Connect branch piping to existing or new riser connections.

Kitchen Drain and Vent Piping

Contractor shall provide labor to:

- Remove designated drain piping.
- Remove designated vent piping.
- Install new drain piping supplied by Owner.
- Install new vent piping supplied by Owner.
- Install required cleanouts.
- Connect branch piping to existing or replacement stack system.

Kitchen Sink Reconnection

Contractor shall:

- Reconnect sink drain assemblies.
- Reconnect dishwasher connections.
- Reconnect garbage disposal connections.
- Reconnect water supply connections.
- Verify operational performance.

Kitchen Testing

Contractor shall:

- Perform pressure testing.
- Perform leak testing.
- Correct deficiencies.
- Coordinate inspections.

BATHROOM PLUMBING SCOPE

Bathroom Preparation

Contractor shall:

- Protect existing flooring, fixtures, mirrors, cabinets, and finishes.
- Coordinate bathroom shutdown with occupants.
- Document existing conditions before commencing work.

Bathroom Demolition

Contractor shall:

- Open walls and ceilings as required for piping access.
- Remove existing piping designated for replacement.
- Remove fixtures only as necessary to complete piping work.

Domestic Water Piping

Contractor shall provide labor to:

- Remove domestic hot-water piping.
- Remove domestic cold-water piping.
- Install new Owner-supplied piping.
- Install supports and restraints.
- Install supplied isolation valves.
- Connect to riser systems.

Waste and Vent Systems

Contractor shall provide labor to:

- Remove designated waste piping.
- Remove designated vent piping.
- Install Owner-supplied replacement piping.
- Connect replacement piping to stack systems.
- Install cleanouts as shown.

Lavatory Connections

Contractor shall:

- Disconnect and reconnect sink fixtures.

- Disconnect and reconnect supply lines.
- Install Owner-supplied valves.
- Verify proper operation.

Toilet Connections

Contractor shall:

- Remove toilet where necessary.
- Store toilet in protected location.
- Reinstall existing toilet.
- Replace wax ring or gasket supplied by Owner.
- Verify operation and watertight performance.

Tub and Shower Valve Connections

Contractor shall:

- Remove piping serving shower and tub valves.
- Install replacement piping supplied by Owner.
- Reconnect valve assemblies.
- Verify proper operation.
- Verify hot and cold-water orientation.

Bathroom Testing

Contractor shall:

- Pressure test water piping.
- Leak test waste and vent systems.
- Correct deficiencies.
- Coordinate inspections.

VERTICAL RISER CONNECTIONS

Contractor shall provide labor to:

- Coordinate riser shutdowns.
- Disconnect existing branch line connections.
- Install branch connections to replacement risers.
- Coordinate testing activities.
- Restore service upon completion.

FIRESTOPPING

Contractor shall:

- Install firestopping materials supplied by Owner.
- Firestop all penetrations in accordance with applicable codes and AOAO requirements.
- Maintain integrity of fire-rated assemblies.

ACCESS PANELS

Contractor shall provide labor to:

- Install Owner-supplied access panels.
- Coordinate locations with Owner's Representative.
- Install panels plumb, level, and readily accessible.

TESTING AND COMMISSIONING

Contractor shall:

- Perform pressure testing.
- Perform leak testing.
- Participate in inspections.
- Correct all deficiencies.
- Verify operation of all plumbing fixtures affected by the Work.

CLEANUP

Contractor shall:

- Remove debris daily.
- Maintain clean work areas.
- Remove surplus materials.
- Leave units broom clean at completion of each phase.
- Dispose of removed piping in approved containers.

EXCLUSIONS

Unless specifically identified in Contractor's proposal, the following are excluded:

- Drywall replacement.
- Tile replacement.
- Painting.

- Cabinet replacement.
- Flooring replacement.
- Finish carpentry.
- Appliance replacement.
- Fixture replacement.
- Material procurement.
- Permit fees paid by Owner.
- Engineering and design services.

IN-HOUSE CONSTRUCTION MANAGER JOB DESCRIPTION

Position Title: Construction Manager (CM)

Reports To: General Manager

Employer: Association of Apartment Owners of the Ilikai (AOAO Ilikai)

Employment Status: Full-Time Employee

Prevailing Wage: Before Burden

$114,990 per year
$55.28 per hour

Project Assignment: Planning, budgeting, procurement, scheduling, construction oversight, quality assurance, owner coordination, and contract administration for all AOAO capital improvement, infrastructure, maintenance, renovation, and construction projects.

Position Summary

The Construction Manager is responsible for planning, coordinating, supervising, and documenting all Ilikai AOAO infrastructure projects, including the building wide repiping program, plumbing stack replacements, waterproofing, firestopping, structural repairs, and related capital improvements. The Construction Manager works closely with the General Manager, Maintenance Department, and Security Department to ensure safe, compliant, efficient, and transparent execution of all work affecting common elements and individual units.

Essential Duties and Responsibilities

1. Project Planning & Coordination

- Develop, maintain, and update the Master Schedule for all repiping and infrastructure projects.
- Coordinate project sequencing based on plumbing inspections identifying pipe conditions from worst to best.

- Integrate Owner Builder repiping work into the Master Schedule to minimize disruption and accelerate completion.
- Ensure all work complies with Ilikai Standard Specifications, House Rules, and the Ilikai Request for Renovation Package.

2. Technical Oversight
   - Conduct or supervise plumbing inspections, including verification of pipe deterioration, access conditions, and required scope.
   - Review contractor bids, labor-only proposals, and material procurement plans.
   - Ensure compliance with building codes, firestopping standards, waterproofing requirements, and DPP permit conditions.
   - Verify that all work meets AOAO quality standards and approved specifications.

3. Contractor Management
   - Supervise all contractors performing AOAO work, including C-37 plumbing contractors and specialty trades.
   - Verify contractor licensing, insurance, and compliance with AOAO requirements.
   - Monitor daily progress, quality of work, and adherence to schedule.
   - Direct contractors to correct deficiencies or non-compliant work.

4. Owner Communication & Coordination
   - Notify owners of upcoming work affecting their units.
   - Ensure owners currently remodeling is informed of pending repiping work and given the option to replace HOA piping during their remodel.
   - Assist owners in understanding responsibilities for interior finishes versus common-element piping.
   - Provide clear guidance on required specifications, access needs, and scheduling.

5. Documentation & Reporting
   - Maintain complete records of inspections, contractor activities, unforeseen conditions, and cost allocations.
   - Document all unforeseen conditions (mold, mildew, asbestos, dry rot, termite damage, etc.) and ensure costs are tabulated separately.
   - Provide weekly written reports to the General Manager and monthly summaries to the Board.
   - Maintain project logs, daily reports, and photographic documentation.

6. Safety & Security Coordination

- Work with the Security Department to ensure safe contractor access and compliance with building protocols.
- Ensure all work areas are properly secured, posted, and monitored.
- Enforce safety standards and ensure contractors follow OSHA and building safety requirements.

Qualifications

Required

- Minimum 7–10 years of experience in construction management, general contracting, or building infrastructure projects.
- Strong knowledge of plumbing systems, repiping procedures, waterproofing, firestopping, and building codes.
- Experience managing multi-unit residential or hotel projects.
- Ability to read and interpret plans, specifications, and permit documents.
- Strong communication skills with owners, contractors, and staff.
- Proficiency in project scheduling and documentation.

Preferred

- Hawaii contractor license (C-5, C-37, or General Contractor) or equivalent experience.
- Experience working with AOAO/HOA environments.
- Familiarity with City & County of Honolulu DPP permitting processes.
- Experience with high-rise building systems.

Reporting Structure

- Reports directly to the General Manager.
- Provides monthly updates to the Board of Directors.
- Coordinates daily activities with the Maintenance Department and Security Department.
- Works collaboratively with AOAO administrative staff for documentation and owner communication.

Performance Expectations

- Maintain project schedules and meet deadlines.
- Ensure high-quality workmanship and compliance with specifications.

- Communicate clearly and proactively with owners and staff.
- Maintain accurate documentation and reporting.
- Demonstrate professionalism, impartiality, and adherence to AOAO policies.
- Prevent avoidable disruptions and ensure safe, orderly project execution.

Work Environment

- On-site presence at the Ilikai required.
- Standard business hours with additional availability for inspections, emergencies, or contractor coordination.
- Frequent interaction with owners, contractors, and AOAO staff.

IN-HOUSE CONSTRUCTION MANAGER EMPLOYMENT AGREEMENT

Between the Ilikai AOAO and the Construction Manager

This Employment Agreement ("Agreement") is made and entered into by and between the Association of Apartment Owners of the Ilikai ("AOAO" or "Employer") and _____ ("Construction Manager" or "Employee"), collectively referred to as "the Parties."

1. Position and Purpose

The AOAO hereby employs the Construction Manager to oversee, coordinate, and manage all phases of the Ilikai's infrastructure projects, including but not limited to the building wide repiping program, plumbing stack replacements, waterproofing, firestopping, structural repairs, and all related capital improvement projects ("Infrastructure Projects").

The Construction Manager shall work closely and continuously with the General Manager, Maintenance Department, and Security Department to ensure safe, compliant, efficient, and transparent execution of all Infrastructure Projects.

2. Term of Employment

The term of this Agreement shall commence on _____ and continue until terminated by either Party pursuant to Section 12 of this Agreement.

3. Reporting Structure

The Construction Manager shall report directly to the General Manager and shall provide regular updates to the Board of Directors. The Construction Manager shall coordinate daily activities with:

- The Maintenance Department for access, scheduling, and building operations
- The Security Department for safety, access control, and contractor oversight

- The AOAO Administrative Office for documentation, owner communication, and recordkeeping

4. Scope of Work and Responsibilities

The Construction Manager shall perform the following duties:

4.1 Project Management

- Oversee all Infrastructure Projects from planning through completion.
- Develop and maintain the Master Schedule for repiping and related work.
- Coordinate HOA contractor work and Owner Builder repiping integration.
- Ensure compliance with Ilikai Standard Specifications, House Rules, and the Ilikai Request for Renovation Package.

4.2 Technical Oversight

- Conduct or supervise plumbing inspections to determine pipe conditions (worst to best).
- Review contractor bids, labor-only proposals, and material procurement plans.
- Verify compliance with building codes, firestopping standards, waterproofing requirements, and DPP permit conditions.

4.3 Owner Coordination

- Notify owners of upcoming work affecting their units.
- Ensure owners remodeling their units are informed of pending repiping work and given the option to replace HOA piping during their remodel.
- Assist owners in understanding responsibilities for interior finishes vs. common-element piping.

4.4 Contractor Management

- Supervise all contractors performing work on behalf of the AOAO.
- Verify contractor licensing, insurance, and compliance with AOAO requirements.
- Monitor daily progress, quality of work, and adherence to schedule.

4.5 Documentation and Reporting

- Maintain complete records of inspections, contractor activities, unforeseen conditions, and cost allocations.
- Provide weekly written reports to the General Manager and monthly summaries to the Board.
- Document unforeseen conditions (mold, mildew, asbestos, dry rot, etc.) and ensure costs are tabulated separately.

4.6 Safety and Security Coordination

- Work with Security to ensure safe contractor access and compliance with building protocols.
- Ensure all work areas are properly secured, posted, and monitored.

5. Authority of the Construction Manager

The Construction Manager is authorized to:

- Direct contractors performing AOAO work.
- Approve or reject contractor work that does not meet specifications.
- Recommend contractor selection, termination, or replacement.
- Enforce compliance with AOAO standards and House Rules.
- Require corrective work when deficiencies are identified.

The Construction Manager is not authorized to:

- Enter into contracts on behalf of the AOAO without Board approval.
- Approve expenditures outside the Board-approved budget.
- Modify House Rules or AOAO governing documents.

6. Compensation

The Construction Manager shall be compensated at a salary of $_____ per year, payable in accordance with AOAO payroll practices. Additional benefits, if any, shall be outlined in an attached Compensation Addendum.

7. Work Hours and Availability

The Construction Manager shall maintain regular on-site presence at the Ilikai and be available during standard business hours, with additional availability as required for project emergencies, inspections, or contractor coordination.

8. Confidentiality

The Construction Manager shall maintain confidentiality regarding all AOAO records, owner information, contractor bids, and proprietary project data.

9. Professional Standards

The Construction Manager shall perform all duties:

- With professional skill and diligence
- In compliance with all applicable laws and codes
- In accordance with AOAO policies and directives
- With impartiality and without conflicts of interest

The Construction Manager shall have no personal, business, or professional connections with any Board member or the Property Management company.

10. Performance Evaluation

The General Manager and Board shall evaluate the Construction Manager's performance annually, based on:

- Project progress
- Budget adherence
- Owner communication
- Contractor oversight
- Compliance with specifications and safety standards

11. Termination

Either Party may terminate this Agreement with 30 days' written notice. The AOAO may terminate immediately for cause, including:

- Gross negligence
- Misconduct
- Violation of AOAO policies
- Conflict of interest
- Failure to perform essential duties

12. Entire Agreement

This Agreement constitutes the entire understanding between the Parties and supersedes all prior discussions or agreements.

13. Signatures

Association of Apartment Owners of the Ilikai

By: _____

Title: _____

Date: _____

Construction Manager

Name: _____

Signature: _____

Date: _____

ASSISTANT CONSTRUCTION MANAGER JOB DESCRIPTION

Position Title: Assistant Construction Manager (ACM)

Reports To: Construction Manager

Employer: Association of Apartment Owners of the Ilikai (AOAO Ilikai)

Employment Status: Full-Time Employee

Prevailing Wage: Before Burden

$93,600 Per Year

$45.00 Per Hour

Project Assignment: Field inspection, quality assurance, documentation, owner coordination, schedule monitoring, and construction oversight support for all AOAO capital improvement, infrastructure, maintenance, renovation, and construction projects.

Position Summary

The Assistant Construction Manager (ACM) shall serve as the AOAO's full-time on-site construction representative and inspector during the implementation of the Ilikai Five-Year Plumbing Infrastructure Renewal Program. The ACM shall assist the Construction Manager in monitoring construction activities, coordinating owner access, documenting project progress, verifying compliance with contract requirements, and protecting the interests of the Association and its owners.

The ACM shall provide daily field oversight and act as the eyes and ears of the Construction Manager by monitoring workmanship, schedule performance, material usage, and contractor compliance.

Essential Duties and Responsibilities

Construction Monitoring

- Monitor daily construction activities.
- Verify work is performed in accordance with approved plans, specifications, and project requirements.
- Observe plumbing installations and associated restoration work.
- Monitor contractor manpower and productivity.
- Verify compliance with approved schedules.

- Track project milestones and unit completion status.

Quality Control

- Inspect materials and workmanship.
- Identify non-conforming work.
- Document deficiencies and corrective actions.
- Verify successful completion of testing and inspections.
- Monitor compliance with quality assurance requirements.
- Assist in punch-list preparation and completion verification.

Owner Coordination

- Coordinate access to occupied units.
- Communicate scheduling requirements to owners and occupants.
- Verify owner access preparations have been completed.
- Assist in resolving owner and contractor coordination issues.
- Maintain records of owner notifications and access agreements.

Documentation and Reporting

- Maintain daily construction reports.
- Maintain photographic documentation of project progress.
- Prepare weekly project status reports.
- Document field conditions and unforeseen circumstances.
- Maintain records of completed work.
- Assist with preparation of project closeout documentation.

Material Management

- Verify bulk material deliveries.
- Monitor material inventory levels.
- Assist in maintaining inventory control records.
- Report material shortages and procurement concerns.
- Verify storage and protection of materials.

Safety Monitoring

- Observe contractor safety practices.
- Document unsafe conditions.
- Report safety concerns to the Construction Manager.
- Verify corrective actions are implemented.

Administrative Support

- Assist the Construction Manager in project administration.
- Attend project meetings.
- Prepare meeting notes when requested.
- Assist with tracking requests for information, substitutions, and field issues.
- Perform other duties assigned by the Construction Manager.

Minimum Qualifications

Education

One of the following:

- Associate Degree in Construction Technology; or
- Bachelor's Degree in Construction Management, Architecture, Engineering, Building Construction, or related field; or
- Equivalent combination of education and experience.

Experience

Minimum Requirements:

- Five (5) years of construction experience.

Preferred Qualifications:

- High-rise residential construction experience.
- Hotel renovation experience.
- Plumbing replacement experience.
- Occupied-building renovation experience.
- Construction inspection or quality control experience.
- Project documentation and reporting experience.

Knowledge and Skills

Candidates shall possess working knowledge of:

- Construction drawings and specifications.
- Construction scheduling practices.
- Material procurement and inventory tracking.
- Building codes and industry standards.
- Construction quality control procedures.
- Microsoft Word and Excel.
- Digital photography and reporting systems.
- Effective oral and written communication.

Physical Requirements

The position requires:

- Frequent walking throughout the property.
- Stair and ladder use as required.
- Ability to enter mechanical rooms and construction areas.
- Ability to inspect work in occupied and unoccupied units.
- Ability to lift and carry project documentation and small equipment.

Performance Standards

The Assistant Construction Manager shall be evaluated on:

- Accuracy of reporting.
- Quality of documentation.
- Effectiveness of owner coordination.
- Schedule monitoring performance.
- Construction quality observations.
- Professional communication.
- Support provided to the Construction Manager.
- Contribution to successful project delivery.

Position Objective

The primary objective of the Assistant Construction Manager is to provide continuous field oversight and support to the Construction Manager, ensuring that the Ilikai Five-Year Plumbing Infrastructure Renewal Program is completed safely, efficiently, on schedule, within budget, and with minimal disruption to owners, guests, tenants, and hotel operations.

ASSISTANT CONSTRUCTION MANAGER AGREEMENT

This Employment Agreement (“Agreement”) is made and entered into by and between the Association of Apartment Owners of the Ilikai (“AOAO” or “Employer”) and _____ (“Assistant Construction Manager” or “Employee”), collectively referred to as “the Parties.”

1. POSITION AND PURPOSE

The AOAO hereby employs Employee as **Assistant Construction Manager("ACM")** for the Ilikai Five-Year Plumbing Infrastructure

2. REPORTING RELATIONSHIP

Renewal Program and related building improvement projects.

The Employee accepts such employment subject to the terms and conditions set forth herein.

The Assistant Construction Manager shall report directly to the AOAO Construction Manager.

The Assistant Construction Manager shall act as the AOAO's on-site representative and shall support the Construction Manager in monitoring construction activities, maintaining project documentation, coordinating owner access, and performing quality assurance inspections.

The Assistant Construction Manager shall have no authority to:

- Modify construction contracts.
- Approve change orders.
- Alter project scope.
- Direct contractors to perform extra work.
- Commit AOAO funds.

Such authority shall remain with the Construction Manager, General Manager, and Board of Directors as applicable.

3. TERM OF EMPLOYMENT

Employment shall commence on _____ and shall continue on an at-will basis unless terminated in accordance with this Agreement and applicable law.

The position is expected to support the Five-Year Plumbing Infrastructure Renewal Program and may be continued beyond completion of the Program as determined by the AOAO.

4. COMPENSATION

The Employee shall receive compensation at the rate of:

$_____ per hour

or

$_____ annually

payable in accordance with the AOAO's normal payroll procedures.

Any salary adjustments shall be subject to annual review and Board approval.

5. BENEFITS

The Employee shall be eligible for benefits provided to similarly situated AOAO employees, including:

- Vacation leave
- Sick leave
- Holiday pay
- Workers' compensation coverage
- Retirement benefits (if applicable)
- Other employee benefits adopted by the AOAO

Benefits may be modified from time to time by the AOAO.

6. DUTIES AND RESPONSIBILITIES

The Employee shall perform duties including, but not limited to:

Construction Monitoring

- Inspect plumbing replacement work.
- Monitor contractor performance.
- Verify project progress.
- Assist with schedule compliance.

Quality Assurance

- Observe construction activities.
- Verify compliance with plans and specifications.
- Document deficiencies.
- Track corrective actions.

Documentation

- Maintain daily project logs.
- Prepare weekly status reports.
- Maintain photographic records.
- Assist in preparation of project closeout documentation.

Owner Coordination

- Assist with unit access scheduling.
- Coordinate notifications.
- Address owner concerns.
- Facilitate communication between contractors and residents.

Material Control

- Monitor material deliveries.
- Assist with inventory tracking.
- Verify material quantities.

Other Duties

Perform related duties as assigned by the Construction Manager or General Manager.

7. HOURS OF WORK

Normal working hours shall be established by the Construction Manager and General Manager.

The Employee may be required to work evenings, weekends, or other hours necessary to support construction activities and owner coordination.

8. CONFIDENTIALITY

The Employee agrees to maintain confidentiality regarding:

- Construction bids.

- Supplier pricing.
- Owner information.
- Contractor proposals.
- Financial information.
- Internal AOAO records.
- Proprietary project documents.

This obligation shall survive termination of employment.

9. CONFLICTS OF INTEREST

The Employee shall disclose any actual or potential conflicts of interest.

The Employee shall not:

- Accept gifts or compensation from contractors, suppliers, or consultants.
- Have a financial interest in any contractor performing work under the Program without prior written approval from the AOAO.

10. PERFORMANCE EVALUATIONS

Performance evaluations shall be conducted periodically by the Construction Manager and General Manager.

Evaluation criteria may include:

- Quality of inspections.
- Accuracy of reporting.
- Organization and documentation.
- Communication skills.
- Owner relations.
- Project support effectiveness.

11. TERMINATION

Employment is at-will.

Either party may terminate employment at any time, with or without cause, subject to applicable law.

The AOAO may immediately terminate employment for:

- Misconduct
- Violation of policies

- Falsification of records
- Breach of confidentiality
- Conflict of interest violations
- Failure to perform assigned duties

12. RETURN OF PROPERTY

Upon termination, the Employee shall return all AOAO property including:

- Keys
- Access devices
- Records
- Computers
- Reports
- Photographs
- Project documentation
- Proprietary materials

13. GOVERNING LAW

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Hawaii.

14. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and supersedes all prior discussions, understandings, and agreements concerning employment.

Any modification must be in writing and signed by both parties.

EMPLOYEE

Employee: _____

Signature: _____

Date: _____

ASSOCIATION OF APARTMENT OWNERS OF THE ILIKAI

By: _____

Title: _____

Date: _____

INDEPENDENT CONSTRUCTION MANAGER AS AGENT (OWNER'S REPRESENTATIVE) AGREEMENT

This Independent Construction Manager Services Agreement ("Agreement") is entered into this ___ day of _____, *20*, by and between:

Association of Apartment Owners of _____

("AOAO" or "Owner")

and

_____

("Construction Manager" or "CM")

Collectively referred to as the "Parties.

ARTICLE 1
PURPOSE OF AGREEMENT

The AOAO desires to engage an Independent Construction Manager to serve as its professional representative and advisor in connection with the planning, design, procurement, construction, renovation, repair, replacement, and capital improvement projects undertaken by the Association.

The Construction Manager shall act solely in the interests of the AOAO and its owners and shall provide independent professional oversight, management, administration, coordination, and advisory services throughout all phases of the Project.

The CM shall function as a Construction Manager as Agent (ACM) and shall not perform construction work, provide labor, furnish materials, or assume responsibility for contractor means, methods, techniques, sequences, procedures, or safety programs.

ARTICLE 2
TERM OF AGREEMENT

This Agreement shall commence on _____ and remain in effect until:

1. Completion of the Project;
2. Completion of all warranty obligations assigned to the CM;
3. Termination pursuant to this Agreement.

The AOAO may renew this Agreement by mutual written consent.

ARTICLE 3
SCOPE OF SERVICES

3.1 Pre-Construction Services

The CM shall:

Planning and Programming

- Review project objectives and requirements.
- Assist in development of project budgets.
- Prepare preliminary project schedules.
- Develop procurement strategies.
- Identify project risks and mitigation measures.
- Assist with long-term capital planning.

Design Review

- Review plans and specifications.
- Evaluate constructability.
- Review project phasing.
- Identify opportunities for cost savings.
- Recommend value engineering alternatives.
- Evaluate impacts to residents and operations.

Procurement Services

The CM shall:

- Prepare bid packages.
- Develop contractor qualification criteria.
- Coordinate pre-bid meetings.
- Receive and evaluate bids.
- Analyze contractor proposals.
- Provide written recommendations to the Board.
- Assist in contract negotiations.

3.2 Construction Phase Services

The CM shall:

Project Administration

- Coordinate project activities.
- Monitor contractor performance.
- Conduct progress meetings.

- Maintain project documentation.
- Monitor project schedules.
- Monitor project budgets.
- Track contingency usage.
- Coordinate consultant activities.

Cost Management

The CM shall:

- Review payment applications.
- Verify completed work.
- Evaluate change orders.
- Monitor project expenditures.
- Forecast project costs.
- Review claims.
- Recommend approval or rejection of payment requests.

Schedule Management

The CM shall:

- Review baseline schedules.
- Monitor project progress.
- Evaluate schedule impacts.
- Review recovery schedules.
- Recommend corrective actions.
- Monitor milestone completion.

3.3 Quality Assurance and Quality Control

The CM shall:

- Conduct site observations.
- Verify contract compliance.
- Monitor workmanship.
- Coordinate inspections.
- Monitor testing activities.
- Verify correction of deficiencies.
- Coordinate punch-list completion.
- Monitor warranty repairs.

3.4 Resident and Occupant Coordination

For occupied condominium projects, the CM shall:

- Coordinate work affecting occupied units.

- Develop resident notification procedures.
- Coordinate temporary access requirements.
- Assist residents with scheduling concerns.
- Coordinate work with resident remodeling activities.
- Assist in minimizing disruptions.
- Resolve project-related resident issues.

For repiping projects, the CM shall coordinate all work involving:

- Occupied units.
- Vacant units.
- Remodeled units.
- Investor-owned units.
- Short-term rental units.
- Commercial spaces.
- Future renovation projects.

ARTICLE 4
CLERK OF THE WORKS / ASSISTANT CONSTRUCTION MANAGER

The AOAO may appoint a Clerk of the Works ("ACM") or Assistant Construction Manager.

The CM shall:

- Direct daily project oversight activities.
- Coordinate field inspections.
- Review field reports.
- Monitor quality observations.
- Assign inspection priorities.
- Verify completion of corrective actions.
- Coordinate resident concerns.

The Clerk of the Works shall report through the CM unless otherwise directed by the AOAO.

ARTICLE 5
BOARD SUPPORT SERVICES

The CM shall provide professional support to the Board including:

Meetings

- Attend Board meetings.

- Attend committee meetings.
- Attend owner informational meetings.
- Attend contractor progress meetings.

Reporting

The CM shall prepare:

- Monthly status reports.
- Cost reports.
- Schedule reports.
- Change order logs.
- Risk assessments.
- Progress photographs.
- Project forecasts.

Recommendations

The CM shall provide independent recommendations regarding:

- Budget status.
- Project funding.
- Contractor performance.
- Change orders.
- Claims.
- Project risks.
- Project completion.

ARTICLE 6
AUTHORITY OF CONSTRUCTION MANAGER

The CM shall act as the Owner's authorized representative for administrative purposes.

The CM may:

- Request project information.
- Schedule meetings.
- Review project documents.
- Make recommendations.
- Coordinate project activities.

The CM shall not:

- Direct contractor means or methods.
- Authorize additional work without approval.

- Modify contracts.
- Approve payment beyond delegated authority.
- Act as contractor.
- Provide construction labor.

ARTICLE 7
STANDARD OF CARE

The CM shall perform professional services consistent with the level of care and skill ordinarily exercised by experienced construction management professionals performing similar services on comparable projects.

The CM makes no warranty regarding project costs, schedules, or contractor performance but shall exercise reasonable professional judgment in providing recommendations.

ARTICLE 8
CONFLICTS OF INTEREST

The CM shall remain completely independent of all contractors, suppliers, consultants, and vendors involved in the Project.

The CM shall not:

- Accept commissions.
- Accept kickbacks.
- Accept undisclosed compensation.
- Hold a financial interest in project contractors.
- Participate in bidding as a contractor.

Any potential conflict shall be immediately disclosed to the AOAO.

ARTICLE 9

COMPENSATION

The CM shall be compensated as follows:

Option A - Hourly Rate

Principal CM: $_____ per hour
Assistant CM/ACM: $_____ per hour

Option B - Monthly Fee

Monthly Fee: $_____

Option C - Annual Contract

Annual Contract Amount: $_____

Reimbursable Expenses

Authorized reimbursable expenses may include:

- Travel
- Printing
- Postage
- Post-project archiving
- Permit document reproduction

All reimbursable expenses shall require supporting documentation.

ARTICLE 10
INSURANCE

The CM shall maintain at all times:

Commercial General Liability

$1,000,000 per occurrence
$2,000,000 aggregate

Professional Liability (Errors & Omissions)

$1,000,000 minimum

Automobile Liability

$1,000,000 minimum

Workers Compensation

As required by law

Certificates of insurance shall be provided annually.

ARTICLE 11
INDEMNIFICATION

To the fullest extent permitted by law, the CM shall indemnify and hold harmless the AOAO from claims arising from the negligent acts, errors, omissions, or misconduct of the CM.

The AOAO shall indemnify the CM against claims resulting from decisions made by the AOAO that are contrary to written recommendations of the CM.

ARTICLE 12
OWNERSHIP OF DOCUMENTS

All project records produced under this Agreement shall become property of the AOAO, including:

- Reports
- Meeting minutes
- Schedules
- Cost analyses
- Correspondence
- Project databases
- Photographs
- Inspection reports

Upon termination, all documents shall be delivered to the AOAO.

ARTICLE 13
CONFIDENTIALITY

The CM shall maintain confidentiality regarding:

- Owner information
- Resident information
- Bid information
- Financial data
- Contract negotiations

This obligation shall survive termination of this Agreement.

ARTICLE 14
TERMINATION

For Convenience

he AOAO may terminate this Agreement with thirty (30) days written notice.

For Cause

The AOAO may immediately terminate this Agreement for:

- Breach of contract.

- Fraud.
- Misrepresentation.
- Conflict of interest.
- Failure to perform services.

The CM shall be compensated for services properly performed through the termination date.

ARTICLE 15
DISPUTE RESOLUTION

The Parties shall first attempt to resolve disputes through good-faith negotiations.

If unresolved, disputes shall be submitted to:

1. Mediation.
2. Arbitration or litigation as approved by the AOAO.

Venue shall be the State of Hawaii.

ARTICLE 16
SPECIAL PROVISIONS FOR THE ILIKAI BUILDING-WIDE REPIPING PROGRAM

The CM shall:

- Implement and manage the Five-Year Repiping Program.
- Coordinate all resident notifications.
- Coordinate access to individual units.
- Coordinate work associated with unit remodels and upgrades.
- Track unit-specific plumbing replacements.
- Maintain project cost databases.
- Provide unit cost reporting whenever practical.
- Prepare quarterly Board presentations.
- Manage coordination between contractors, residents, engineers, management, and the Board.
- Supervise any Clerk of the Works and Assistant Construction Managers assigned to the Program.
- Maintain a comprehensive project history and asset database for future capital planning.

ARTICLE 17
COMPLIANCE WITH HAWAII LAW

The Construction Manager shall comply with all applicable federal, state, county, and local laws, regulations, ordinances, permits, and requirements governing the Project and the performance of services under this Agreement.

The Construction Manager shall remain familiar with applicable provisions of:

- Hawaii Revised Statutes (HRS)
- HRS Chapter 514B (Condominium Property Act)
- Hawaii Administrative Rules
- City and County of Honolulu ordinances
- Building, fire, safety, accessibility, and health regulations

The CM shall promptly advise the AOAO of any known compliance concerns affecting the Project.

ARTICLE 18
BOARD AUTHORITY AND GOVERNANCE

The Construction Manager acknowledges that:

- Authority for Project decisions resides with the AOAO Board of Directors.
- The CM shall provide recommendations but shall not possess independent authority to bind the AOAO contractually unless specifically authorized in writing.
- No change in Project scope, cost, schedule, or contractual obligation shall be made without Board approval or delegated authority established by Board resolution.

The CM shall assist the Board in satisfying its fiduciary obligations to the Association and its members.

ARTICLE 19
PROCUREMENT AND COMPETITIVE BIDDING

Unless otherwise directed by the Board, the CM shall seek competitive pricing for Project work.

Responsibilities include:

- Preparation of bid packages.
- Solicitation of qualified bidders.
- Bid tabulation and analysis.
- Documentation of procurement activities.
- Written recommendation of award.

The Board shall retain final authority for contractor selection.

The CM shall maintain complete procurement records available for inspection by the AOAO.

ARTICLE 20
FIDELITY AND ACCESS TO ASSOCIATION FUNDS

The Construction Manager shall not:

- Sign checks on behalf of the AOAO.
- Maintain custody of Association funds.
- Transfer Association funds.
- Authorize banking transactions unless specifically approved by Board resolution.

If granted financial authority, the CM shall be bonded in an amount satisfactory to the AOAO.

ARTICLE 21
RECORD RETENTION AND INSPECTION RIGHTS

The CM shall maintain complete Project records including:

- Contracts
- Change orders
- Meeting minutes
- Inspection reports
- Cost reports
- Schedules
- Resident notices
- Payment applications

All records shall remain available for audit and inspection by the AOAO at reasonable times.

Records shall be retained for a minimum of seven (7) years following Project completion unless a longer period is required by law.

ARTICLE 22
CONDOMINIUM UNIT ACCESS COORDINATION

Because construction activities may require entry into individually owned units, the CM shall:

- Coordinate entry procedures with Management.
- Maintain access logs.
- Coordinate owner notifications.
- Minimize disruptions to residents.
- Document refusals of entry.
- Coordinate rescheduling when access cannot be obtained.

The CM shall not enter individual units except as authorized by the AOAO and applicable governing documents.

ARTICLE 23
RESIDENT COMMUNICATIONS

The CM shall develop and administer a Project communication program including:

- Construction notices.
- Schedule updates.
- Unit access notifications.
- Water shutdown notifications.
- Emergency notices.
- Progress reports.

All communications shall be coordinated through the AOAO or its designated property manager.

ARTICLE 24
ETHICS AND NON-COLLUSION

The Construction Manager certifies that neither the CM nor any affiliated entity has:

- Colluded with a bidder.
- Participated in bid-rigging activities.
- Accepted undisclosed compensation.
- Received gifts, gratuities, commissions, rebates, or incentives from Project participants.

The CM shall disclose any actual or potential conflicts of interest immediately upon discovery.

Failure to disclose such conflicts shall constitute grounds for immediate termination.

ARTICLE 25
DISASTER RECOVERY AND EMERGENCY RESPONSE

In recognition of Hawaii's exposure to hurricanes, flooding, tsunamis, earthquakes, utility failures, and other emergencies, the CM shall assist the AOAO in:

- Emergency project stabilization.
- Contractor mobilization planning.
- Emergency procurement documentation.
- Damage assessment coordination.
- Insurance claim support.
- Recovery planning.

The CM may be authorized to provide emergency services upon written authorization from the AOAO Board, Property Manager, or designated emergency representative.

ARTICLE 26
INSURANCE CLAIM AND LOSS RECOVERY ASSISTANCE

When Project work is associated with an insured loss, the CM shall:

- Assist with damage assessment.
- Coordinate insurer inspections.
- Provide cost documentation.
- Review repair estimates.
- Support claim documentation.

The CM shall not act as a public adjuster unless separately licensed and authorized by law.

ARTICLE 27
LIMITATION OF LIABILITY

To the fullest extent permitted by Hawaii law, the liability of the Construction Manager for claims arising from professional services shall be limited to the proceeds of the CM's professional liability insurance or the total compensation paid under this Agreement, whichever is greater.

This limitation shall not apply to:

- Fraud
- Willful misconduct
- Gross negligence
- Criminal acts

ARTICLE 28
ATTORNEY'S FEES

In any litigation, arbitration, or other legal proceeding arising from this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees, arbitration costs, consultant fees, expert witness fees, and court costs to the extent permitted by Hawaii law.

ARTICLE 29
GOVERNING LAW AND VENUE

This Agreement shall be governed by and construed under the laws of the State of Hawaii.

Any action arising under this Agreement shall be brought in the state or federal courts located in Honolulu, Hawaii, unless otherwise agreed by the Parties.

ARTICLE 30
SPECIAL ILIKAI OWNER-PROTECTION PROVISIONS

For the Building-Wide Repiping Program, the CM shall:

- Maintain a unit tracking database for all piping replacement work.
- Coordinate repiping work with unit renovations and remodels.
- Track completed, deferred, and future piping replacements.
- Identify opportunities to reduce duplicate wall and ceiling demolition.
- Prepare monthly cost and schedule dashboards.
- Provide unit cost analyses whenever practical.
- Maintain a photographic project archive.
- Coordinate the activities of the Assistant ACM.
- Provide independent reporting directly to the Board of Directors.

These provisions will make the agreement read much more like a Hawaii condominium capital-project contract and provide stronger owner protections, governance controls, and documentation requirements for a multi-year repiping program such as the Ilikai Five-Year Plumbing Replacement Program.

ARTICLE 31
COMPLIANCE WITH HRS CHAPTER 514B

The Construction Manager shall perform all services in a manner consistent with the requirements of Hawaii Revised Statutes Chapter 514B, as amended, including provisions governing the operation, maintenance, repair, replacement, administration, and management of condominium projects.

The CM acknowledges that the AOAO Board is subject to statutory fiduciary obligations and governance requirements under HRS Chapter 514B and shall provide professional services intended to assist the Board in fulfilling those responsibilities.

31.1 Maintenance, Repair, and Replacement of Common Elements

The CM shall assist the AOAO in planning, administering, documenting, and overseeing work involving common elements, limited common elements, and shared building systems in accordance with the governing documents and applicable provisions of HRS Chapter 514B.justia

The CM shall maintain documentation supporting repair, replacement, rehabilitation, and capital improvement decisions affecting common elements.

31.2 Association Records

The CM shall maintain accurate project documentation and provide such records to the AOAO for retention in accordance with HRS §514B-153, which requires the maintenance of detailed association records regarding expenditures, repairs, contracts, and related operational matters.

Records shall include:

- Contracts
- Change Orders
- Payment Applications
- Inspection Reports
- Meeting Minutes
- Cost Reports
- Resident Notifications
- Unit Access Logs
- Project Correspondence
- Progress Photographs

31.3 Board Decision Support

The CM shall provide independent recommendations to the Board regarding:

- Capital expenditures
- Contractor selection
- Change orders
- Project contingencies
- Cost forecasts
- Schedule impacts
- Risk management

The Board shall retain exclusive authority to approve expenditures and contracts unless specific authority has been delegated by Board resolution.

31.4 Owner Transparency

The CM shall assist the Board and Management in providing information necessary for owner communications related to major repair and replacement projects.

Such assistance may include:

- Owner informational meetings
- Construction updates
- Budget presentations
- Status reports
- Frequently asked questions
- Project dashboards

The CM acknowledges that owner access to certain association records may be governed by HRS Chapter 514B and applicable governing documents.

31.5 Unit Access Coordination

Where access to individual units is required for construction, inspection, testing, or utility shutdowns, the CM shall coordinate with the AOAO and Property Manager in accordance with the Declaration, Bylaws, House Rules, and applicable provisions of HRS Chapter 514B.

The CM shall maintain records of:

- Entry notices
- Access requests
- Owner communications
- Refusals of entry
- Rescheduled access dates

31.6 Good Faith Performance

Consistent with the policies expressed in HRS Chapter 514B, the CM shall perform all duties in good faith and in a manner intended to protect the interests of the Association and its members.

31.7 Five-Year Plumbing Replacement Program Administration

For the Ilikai Plumbing Replacement Program, the CM shall maintain sufficient records to permit the AOAO to demonstrate prudent management of common-element infrastructure and project expenditures, including:

- Unit-by-unit replacement status
- Cost tracking
- Contractor performance records
- Replacement history
- Deferred work logs
- Warranty documentation
- Future replacement schedules

These records shall become Association records upon creation and shall be delivered to the AOAO upon request or upon termination of this Agreement.

31.8 Quarterly Project Reports to the Board and Owners.

The CM shall prepare quarterly written reports summarizing:

- Budget Status
- Schedule Status
- Change Orders
- Project Risks
- Unit Production Rates
- Cost Per Unit Analysis
- Forecast at Completion
- Deferred Work

- Resident Coordination Metrics

SIGNATURES

ASSOCIATION OF APARTMENT OWNERS

By: _____

Title: _____

Date: _____

INDEPENDENT CONSTRUCTION MANAGER

Name: _____

Company: _____

Signature: _____

Date: _____

ASSISTANT ACM (if applicable)

Name: _____

Signature: _____

Date: _____

Attorney Review and Legal Compliance

This Agreement has been prepared as a proposed form of professional services contract for construction management services. The Association acknowledges that this Agreement should be reviewed by legal counsel licensed in the State of Hawaii prior to execution to ensure compliance with:

- Hawaii Revised Statutes Chapter 514B (Condominium Property Act);
- The Association's Declaration, Bylaws, House Rules, and governing documents;
- Applicable federal, state, and county laws and regulations;
- Insurance, indemnification, procurement, and risk management requirements applicable to the Project.

The Association and the Construction Manager each acknowledge that they have had the opportunity to seek independent legal review and advice regarding the terms and conditions of this Agreement prior to execution.

Execution of this Agreement shall constitute acknowledgement that the parties have either obtained such legal review or voluntarily elected to proceed without it.

If this is being included in your **Ilikai Five-Year Plumbing Replacement Program presentation**, I would make it even stronger:

Legal Review Recommendation

The Board of Directors is encouraged to submit the proposed Construction Manager Agreement, Clerk of the Works Agreement, procurement procedures, and project delivery recommendations to Association legal counsel for review prior to solicitation, award, or execution.

Nothing contained within these documents is intended to replace the advice of legal counsel, insurance professionals, tax advisors, engineers, architects, or other licensed professionals. Final contract terms should be approved by Association counsel to ensure consistency with HRS Chapter 514B, the governing documents of the Association, and the Board's fiduciary obligations to the owners.

Construction Management Definitions

Independent Agent Construction Manager (Agent CM)

An Independent Agent Construction Manager serves exclusively as the AOAO's professional representative and advisor. The Agent CM does not perform construction work, furnish labor or materials, hold trade contracts, or assume construction risk. The Agent CM provides independent oversight of planning, procurement, scheduling, construction administration, quality assurance, cost control, and project reporting.

Assistant Construction Manager (ACM)

The Assistant Construction Manager serves as the field representative supporting either the Independent Agent CM or the In-House CM. Responsibilities include inspections, documentation, owner coordination, schedule monitoring, quality assurance observations, and project reporting.

In-House CM/ACM Program

A construction management structure in which the AOAO directly employs a Construction Manager and Assistant Construction Manager to administer planning, procurement, construction oversight, owner coordination, and long-term capital improvement activities.