

SCHEDULE OF WORK - RESOURCE LOADED SCHEDULES

1. Introduction & Purpose

The Contractor uses a system of resource-loaded Critical Path Method schedules to optimize the planning process and for early identification of trends and risks. We use this system to manage our projects' self-perform and subcontracted scope. To make this effective, we require input from those responsible for the work at various stages of the project, primarily at project start to develop the integrated baseline schedule and throughout the project to monitor progress versus the plan. While we do not require implementation of a full Earned Value Management System (EVMS), we use earned value concepts.

There are three main types of resources:

- Cost
- Labor Hours
- Material Quantities

This document describes the different steps in the process, the information the Contractor provides, and the information the Subcontractor will be required to submit. Exceptions to these requirements can only be allowed by written approval from the Contractor's Project Manager. For example, the requirement for detailed Schedule of Values/Schedule line items will be pushed to a later time in a design-assist subcontract as compared to the outline below.

Note: Award of a subcontract does not imply any warranty or guaranty by the Contractor on the material quantities, labor hours, or costs supplied by the subcontractor.

2. Procedure and Requirements

2.1 Baseline Scheduling Phase

2.1.1 Procedure

1. The Contractor will integrate the information collected into the Baseline Construction Schedule.
2. While much of the information needed to build the Baseline Construction Schedule is contained in the SOV activities, additional information regarding schedule logic (relationships) and other clarifications will be necessary. Scheduling workshops are often the most effective way to communicate this planning information. For each SOV activity, all predecessors and successors must be understood.
3. The Contractor will coordinate with the Subcontractor to gain the additional information necessary.
4. Once the schedule has been integrated, the Subcontractor will review the schedule and will collaborate with the Contractor until all parties agree that the schedule is a complete and fair representation of the Subcontractor's plan. Subcontractor will signify their agreement by signing the Baseline Construction Schedule Agreement Form.

2.1.2 Requirements for Information from Subcontractor

1. Provide information as necessary to optimize the schedule.
2. Indicate agreement with the Baseline Construction Schedule using the schedule agreement form.

2.2 Execution Phase

2.2.1 Procedure

1. Project Scheduling

- a. The project schedule is a critical element to a successful project. Subcontractors will be expected to utilize the schedule in planning and controlling their work.
- b. The schedule will be updated regularly throughout the life of the project. This update cycle is generally weekly, although the Contractor may determine that a different frequency is adequate.

- c. For each schedule update, Subcontractors shall provide status information to the Contractor who is responsible to compile and enter the data, analyze the results, and issue reports.
- d. The schedule will be analyzed with each update.
 - i. If subcontractor's critical activities fall behind more than five (5) working days compared to the prior version of the schedule, the subcontractor shall establish a performance improvement plan and submit it to the Contractor within 1 week.
 - ii. If subcontractor's non-critical activities fall behind more than fifteen (15) working days compared to the prior version of the schedule, the subcontractor shall establish a performance improvement plan and submit it to the Contractor within 1 week.
- e. Regarding the requirements in this document, Critical Activities are defined based on the schedule update frequency as follows:
 - i. Weekly / Bi-weekly Update Cycle: activities with less than or equal to 2 weeks of float are critical.
 - ii. Monthly Update Cycle: activities with less than or equal to 1 month of float are critical.
- f. Updated construction schedules will be distributed regularly to the Subcontractor throughout the life of the project. Subcontractor will be responsible to review the schedule and provide written notification of any impacts to their contracted scope within 72 hours. No response from Subcontractor will indicate an acceptance of the schedule with no impacts.

2. Pay Applications

- a. The SOV activities agreed to during the Post-Bid / Award Phase shall be used in the Subcontractor's pay applications by either listing all the detailed SOV activities, or by summarizing the information based on the Work Breakdown Structure (WBS) provided in the Bidding Phase. No changes to the SOV activities or WBS (such as descriptions or values) will be allowed. If Subcontractor chooses to summarize the values in the Pay Application, a detailed report providing information at the SOV activity level and sub-totaling to the WBS will be required as back-up.
- b. For each pay application, Subcontractor shall provide actual timesheet hours for their labor forces at a summary level.

2.2.2 Requirements for Information from Subcontractor

1. During schedule updates, Subcontractor will provide typical schedule information on each activity including:
 - a. Actual Start, Actual Finish dates.
 - b. Planned Start, Planned Finish dates.
 - c. Installed Material Quantities / Percent Complete.
 - d. Changes to activity scope, sequence, or duration.
2. Pay Applications will be prepared using currently accepted tools and reports. The Pay Application will list the detailed SOV activities or will be summarized using the WBS and will include the detailed information as supporting material.

2.3 Change Events

2.3.1 Procedure

1. Subcontractor will provide similar support and information to incorporate all negotiated scope changes into the Subcontract and into the Resource Loaded Schedule. The process will be an abbreviated version of the steps outlined in the Instructions to Bidders document and to this Subcontract Exhibit so that the Project Schedule will remain a current, accurate model of the project scope.
2. Change Order proposals where Subcontractor is requesting a time extension must include a Schedule Analysis to fully describe the impact(s) and their net result to the Subcontractor and the Project. This analysis must include all relevant information for new and revised activities such as start and finish dates, durations, and logical relationships with the rest of the schedule network.

2.3.2 Requirements for Information from Subcontractor

1. The Resource Loaded Schedule will remain an accurate model of the project scope. Subcontractor will provide all information required to document the scope change and will assist in scheduling meetings to incorporate the change into the project schedule.