

SAN FRANCISCO PUBLIC UTILITIES COMMISSION INFRASTRUCTURE CONSTRUCTION MANAGEMENT PROCEDURES	
SECTION: SFPUC INFRASTRUCTURE CONSTRUCTION MANAGEMENT	APPROVED: 
PROCEDURE NO: 029	DATE: 6/7/2019
TITLE: NON-CONFORMANCE NOTICES (NCN)	REVISION: 1

1.0 Policy

A Non-Conformance Notice (NCN) may be issued to the Contractor for any infraction or deviation from the Contract Documents. Separate procedures address Environmental Non-Conformance Notices (see References, Paragraph 7). Uncorrected NCNs may result in rejection or reduction of progress payments. In addition, non-conforming work that prevents the Work from being utilized for the purposes for which it is intended shall be cause for delay or rejection of issuing Substantial Completion. NCNs may also be appealed by the Contractor. Therefore, NCNs must be judiciously issued and administered. The Resident Engineer (RE), in coordination with the Lead Construction Inspector, is responsible for the issuance, tracking and management of the resolution of NCNs.

This SFPUC Construction Management (CM) Procedure applies to all personnel working on SFPUC Infrastructure Projects during construction to the extent that their work is affected by this CM Procedure and does not conflict with specific SFPUC policies or the Contract under which the Work is executed.

2.0 Description

This SFPUC Infrastructure CM Procedure establishes the requirements for the issue, process, control and coordination of review and resolution of NCNs. The procedure describes the processing of a NCN from the time it is issued to the Contractor by the RE through the resolution by the Contractor.

3.0 Definitions

3.1 Non-Conformance Notice (NCN)

A NCN is a document issued to the Contractor identifying any condition, action or matter that is non-conforming with the Contract Documents. The requirements and information to be included in a NCN are identified in the Contract Documents.

3.2 Corrective Action Report (CAR)

A CAR describes the corrective action the Contractor intends to take to correct the non-conforming work. It is one of two possible responses by the Contractor to the NCN. The other response is when the Contractor objects to the NCN and submits a written justification of his position. A response must be transmitted to the RE within five working days of the receipt of the NCN.

3.3 Construction Management Information System (CMIS)

The CMIS is an online management tool for the processing of contract documents based on established SFPUC Infrastructure CM Business Processes. It serves as a tool for effective storage and retrieval of various documents generated during a construction project. Processing of NCNs will utilize the CMIS NCN module, which is a process-specific portion of the CMIS application designed to facilitate the processing of NCNs, the retention of data pertinent to NCNs, and NCN status reporting. NCNs should be directly inputted into the CMIS by the RE as should associated contractor responses.

4.0 Responsibilities

4.1 Construction Inspector

The Construction Inspector communicates verbally to the Contractor any work not performed in accordance with the Contract Documents (non-conforming work), and documents the deficiency and verbal notification in the Daily Inspection Report for the period. If the deficiency is not corrected immediately, or if the deficiency is recurring, the Inspector alerts the Lead Construction Inspector and, in coordination with the Lead Construction Inspector and the RE, prepares an NCN.

4.2 Lead Construction Inspector

The Lead Construction Inspector monitors the Daily Inspection Reports and coordinates with the project's Construction Inspectors. When non-conforming work is reported, the Lead Construction Inspector is responsible for determining corrective action, (i.e., recommending the issuance of a NCN). The Lead Construction Inspector reviews and approves the NCN, and reviews the Contractor's response or CAR. The Lead Construction Inspector inspects corrective work and closes the NCN upon satisfactory correction.

4.3 Resident Engineer (RE)

The RE is the single point of contact with the Contractor and is the designated “City Representative” as defined by the Contract Documents. The RE is responsible for timely and efficient management of NCNs and for transmitting NCNs to the Contractor. The RE coordinates with and directs the work of the Construction Inspector and Lead Construction Inspector. The RE works with the Contractor to resolve NCNs in a timely manner.

4.4 Administrative/Document Control Specialist (ADCS)

The ADCS is responsible for maintaining complete documentation of the NCN, including the Daily Inspection Report that identifies non-conforming work, the CAR, and other correspondence associated with the NCN. The ADCS coordinates with Construction Inspectors and the RE, verifies the file code for the NCN, logs documents and correspondence into CMIS Correspondence Received upon receipt, and into CMIS Correspondence Sent upon transmittal, and receives and logs any non-electronic documentation submitted by the Contractor associated with the NCN.

4.5 Contractor

The Contractor corrects the identified deficiency immediately or accepts or rejects a written NCN. If the Contractor rejects a NCN, the Contractor must submit to the RE a written response that explains why the Contractor believes the work conforms to the Contract Documents. If the Contractor accepts the NCN, the Contractor must prepare a CAR that describes the non-conforming work and the intended corrective action, and specifies the date by which the corrective action will be completed. The Contractor must complete the corrective action and submit a follow-up CAR that describes the completed corrective action. The Contractor is responsible for adhering to the definition of the work described by the Contract Documents.

5.0 Implementation

5.1 Identification and Documentation of Non-Conforming Work.

- 5.1.1 The Construction Inspector verbally notifies the Contractor of non-conforming work and documents both the non-conforming work and the verbal notification in the Daily Inspection Report for the period in which the non-conforming work occurs.
- 5.1.2 The Contractor corrects the non-conforming work immediately, if possible, or proposes the intended corrective action to the Construction Inspector.
- 5.1.3 The Construction Inspector inspects the work intended to correct the non-conforming work.
- 5.1.4 If the non-conforming work is corrected, the Construction Inspector documents the correction in the Daily Inspection Report for the period in which the corrected work is inspected.

5.2 Documentation of a Non-Conformance

- 5.2.1 If the Contractor does not immediately correct the non-conforming work, the Construction Inspector prepares an NCN, using CMIS, and forwards it to the Lead Construction Inspector. An identification number will be assigned to each NCN through the CMIS for tracking.
- 5.2.2 The Lead Construction Inspector reviews the NCN and, if necessary, amends it or returns it to the Construction Inspector for correction. Upon approval, the Lead Construction Inspector forwards the NCN to the RE for transmittal to the Contractor.
- 5.2.3 The RE issues the NCN to the Contractor through the CMIS.

5.3 Performance and Tracking Corrective Actions

- 5.3.1 The Contractor shall take immediate corrective action after receipt of a NCN, providing within five working days a written response that details either (a) why the Contractor believes that the work was performed in accordance with the Contract Documents if the Contractor disagrees with the NCN, or (b) describes the corrective action the Contractor intends to take to correct the non-conforming work. The second response option initiates the CAR. The CAR must reference and identify the NCN to which it responds. The CAR may be transmitted via email, but must conform to the appropriate format.
- 5.3.2 The ADCS logs the CAR in Correspondence Received, scans and attaches the electronic file to the referenced NCN and forwards it to the RE.
- 5.3.3 The RE reviews the CAR and forwards it to the Lead Construction Inspector and to the Construction Inspector who initiated the NCN.
- 5.3.4 The Construction Inspector logs the CAR into the CMIS NCN module.
- 5.3.5 If the Contractor disputes the NCN, the Lead Construction Inspector reviews the dispute and, within five working days of receipt of the Contractor's dispute, assists the RE in providing a response to the Contractor's dispute.
- 5.3.6 The RE must respond to the Contractor's dispute within five working days of receipt, either accepting the Contractor's dispute or directing the Contractor to correct the non-conforming work.
- 5.3.7 If the RE accepts the Contractor's dispute, the Lead Construction Inspector attaches all pertinent correspondence to the CMIS NCN record and closes the NCN.
- 5.3.8 If the RE denies the dispute and directs the Contractor to perform the corrective action, the Contractor shall perform the corrective

action within five working days or respond with the intended schedule to perform the work.

- 5.3.9 The Construction Inspector inspects the corrective work and documents the results in the Daily Inspection Reports for the periods during which the work is performed.
- 5.3.10 When the corrective work is complete and inspected, the Construction Inspector notifies the Lead Construction Inspector.
- 5.3.11 The Lead Construction Inspector reviews the documentation of the corrective work in the Daily Inspection Reports, inspects the corrective work, if necessary, and closes the NCN.
- 5.3.12 The Lead Construction Inspector transmits a copy of the NCN to the Contractor, noting the satisfactory completion of the corrective work and the date on which the work was accepted.
- 5.3.13 If the Contractor does not address outstanding NCNs the RE may issue a stop order for portions of the work directly related to or affected by the NCN until corrective action has been satisfactorily taken.

6.0 Other Procedural Requirements

6.1 Daily Inspection Reports

Daily Inspection Reports are the initial documentation of non-conforming work. The procedure for Daily Inspection Reports is covered in CM Procedure No. 030, Daily Inspection Reports.

6.2 Environmental Non-Conformance Notices (ENCNs)

ENCN Notices carry the same contractual implications as NCNs. The procedure for ENCNs is covered in CM Procedure 038, Environmental Non-conformance Notice.

7.0 References

7.1 Technical Specifications

00 72 00 General Conditions

00 73 00 Supplementary General Conditions

7.2 SFPUC Infrastructure CM Procedures

No. 030 Daily Inspection Reports

No. 038 Environmental Non-Conformance Notice

No. 043 Environmental Daily Inspection Reports

7.3 Others

Business Process Report 4a, Punch Lists and Non-Conformance Notices

8.0 Attachments

029 - 1 Non-Conformance Notice

029 - 2 Non-Conformance Notice Log

029 - 3 Corrective Action Report

029 - 4 Revision Control Log

**Attachment 029 - 1
Non-Conformance Notice Form**

Contract Name: _____ Date: _____

Contract No.: _____

From: _____

To: _____

Description:

Reason:

Solution Required:

Signed: _____
Lead Inspector

Signed: _____
Contractor

Date: _____

Date: _____

Corrective Action by Contractor:

Required By: _____ Started: _____ Completed: _____

Signed: _____
Contractor

Signed: _____
Resident Engineer

Date: _____

Date: _____

Attachment 029 - 2 Non-Conformance Notice Log

Contract Name: _____

Contract Number: _____

Number	Title	Type	Priority	(A) Received	(B) To Reviewer	(C) Reviewed	(D) OE Reviewer	(E) To Contractor	(F) Required Date	Status	Distribute To	Completed

Attachment 029 – 3 Corrective Action Report

CONTRACT NAME: <input style="width: 90%;" type="text" value="start text here"/>	CAR No.: <input style="width: 90%;" type="text" value="start text here"/>
CONTRACT NO: <input style="width: 90%;" type="text" value="start text here"/>	NCN No.: <input style="width: 90%;" type="text" value="start text here"/>
SUBJECT: <input style="width: 90%;" type="text" value="start text here"/>	DATE: <input style="width: 90%;" type="text" value="start text here"/>

Construction Management Bureau (CMB) completes this section and returns to Quality Assurance:

Deficiency No.: start text here

Underlying causes of the problem or condition:

start text here

Remedial (short-term) actions taken:

start text here

Proposed corrective (long-term) actions to be taken:

start text here

Estimated Date of Final Completion: start text here

Responsible person(s):

Action:

Timeline/Milestones:

start text here

Submitted by: _____
Contractor's Signature

Date: _____

Approved by: _____
Resident Engineer's Signature

Date: _____

Auditor completes this section:

Completion of Corrective Action: No / Yes

Date of Completion: _____

Signature of Auditor: _____

**Attachment 029 – 4
Revision Control Log**

Revision No.	Revision Date	What changed?
Rev 1	6/7/19	<ul style="list-style-type: none">• Minor format changes;• Attachments revised;• Revision Control Log updated.
Rev 0	11/14/16	Signed