1.0 Policy

A Non-Compliance Notice – Quality Assurance (QA NCN) may be issued to the Contractor for any infraction or deviation from the Contract specifications. Separate procedures address Environmental Non-Compliance Notices (see References, Paragraph 7). Uncorrected QA NCNs may result in rejection or reduction of progress payments and delay or rejection of the granting of Final Completion, and QA NCNs may be appealed by the Contractor. Therefore, QA NCNs must be judiciously issued and administered. The Project Construction Manager (Project CM), in coordination with the Lead QA Inspector, is responsible for the issuance, tracking and management of the resolution of QA NCNs.

This procedure applies to all personnel working on the Water System Improvement Program (WSIP) to the extent that their work is affected by these WSIP Construction Management (CM) Procedures and does not conflict with specific San Francisco Public Utilities Commission (SFPUC) policies or the contract under which the Work is executed.

2.0 Description

This procedure establishes the requirements for the issue, process, control and coordination of review and resolution of QA NCNs. The procedure describes the processing of a QA Non-Compliance Notice from the time it is issued to the Contractor by the Project CM through the resolution by the Contractor.

3.0 Definitions

3.1. Non-Compliance Notice – Quality (QA NCN)

A QA NCN is a document issued to the Contractor identifying any condition, action or matter that is non-compliant with Contract documents, some aspect of the construction drawings, specifications, or contractual requirements. The requirements and information to be included in a QA NCN are identified in the Contract.
3.2 **Corrective Action Report (CAR)**

The CAR is one of two possible responses, by the Contractor, to the QA NCN. A response must be transmitted to the Project CM within five working days of the receipt of the QA NCN. A CAR is one possible response that describes the corrective action the Contractor intends to take to correct the non-conforming work.

3.3 **Construction Management Information System (CMIS)**

The WSIP CMIS is an on-line management tool for the processing of contract documents based on established construction management business processes. It serves as a tool for effective storage and retrieval of various documents generated during a construction project. Processing of QA NCNs will utilize the WSIP CMIS Non-Compliance Notice module, which is a process-specific portion of the CMIS application designed to facilitate the processing of QA NCNs, retention of data pertinent to QA NCNs and reporting of QA NCNs and their status. The CMIS is designed for Contractor entry and Project CM response directly into the system.

4.0 **Responsibilities**

4.1. **Quality Assurance (QA) Inspector**

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

4.2. **Lead QA Inspector**

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

4.3. **Project Construction Manager (Project CM)**

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

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4.4. **Administrative/Document Control Specialist (ADCS)**

The ADCS is responsible for maintaining complete documentation of the QA NCN, including the Daily QA Inspection Report that identifies non-conforming work, CAR and other correspondence in support of the QA NCN. The ADCS coordinates with inspectors and Project CM, verifies the file code, 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 in support of the QA NCN.

4.5. **Contractor**

The Contractor corrects the identified deficiency immediately or accepts or rejects a written QA NCN. If the Contractor rejects a QA NCN, the Contractor must submit to the Project CM a written response that explains why the Contractor believes the work conforms to the Contract. If the Contractor accepts a QA 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. QA Inspector verbally notifies the Contractor of non-conforming work and documents both the non-conforming work and the verbal notification in the Daily QA 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 advises the QA Inspector of the intended action.

5.1.3. The QA Inspector inspects the work that corrects the non-conforming work.

5.1.4. If the work is corrected, the QA Inspector documents the correction in the Daily QA Inspection report for the period in which the corrected work is inspected.

5.2. **Documentation of a Non-Compliance**

5.2.1. If the Contractor does not immediately correct the non-conforming work, the QA Inspector prepares a QA NCN, using CMIS, and
forwards it to the Lead QA Inspector. An identification number will be assigned to each NCN through CMIS for tracking.

5.2.2. The Lead QA Inspector reviews the QA NCN and, if necessary, amends it or returns it to the QA Inspector for correction. Upon approval, the Lead QA Inspector forwards the QA NCN to the Project CM for transmittal to the Contractor.

5.2.3. The Project CM issues the QA NCN to the Contractor through CMIS.

5.3. **Performance and Tracking Corrective Actions**

5.3.1. The Contractor must 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 QA 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 Project CM.

5.3.3. The Project CM reviews the CAR and forwards it to the Lead QA Inspector and to the QA Inspector who initiated the QA NCN.

5.3.4. The QA Inspector logs the CAR into the CMIS QA NCN module.

5.3.5. If the Contractor disputes the QA NCN, the Lead QA reviews the dispute and, within five working days of receipt of the Contractor’s dispute, assists the Project CM to respond to the Contractor’s dispute.

5.3.6. The Project CM 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 Project CM accepts the Contractor’s dispute, the Lead QA Inspector attaches all pertinent correspondence to the CMIS QA NCN record and closes the QA NCN.

5.3.8. If the Project CM denies the dispute and directs the Contractor to perform the corrective action, the Contractor shall perform the WSIP Construction Management Procedure No. 009, Rev. 0, Page 4 of 10
corrective action within five working days or respond with the intended schedule to perform the work.

5.3.9. The QA Inspector inspects the corrective work and documents the results in the Daily QA Inspection Reports for the periods during which the work is performed.

5.3.10. When the work is complete and inspected, the QA Inspector notifies the Lead QA Inspector.

5.3.11. The Lead QA Inspector reviews the documentation of the corrective work in the Daily QA Inspection Reports, inspects the corrective work, if necessary, and closes the QA NCN.

5.3.12. The Lead QA Inspector transmits a copy of the QA 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 QA NCNs the Project CM may issue a stop order for portions of the work directly related to or affected by the QA NCN until corrective action has been satisfactorily taken.

6.0 Other Procedural Requirements

6.1. Daily QA Inspection Reports

Daily QA Inspection Reports are the initial documentation of non-conforming work. The procedure for Daily QA Inspection Reports is covered in CM Procedure 007, Daily Inspection Reports.

6.2. Environmental Non-Compliance Notices

Environmental Non-Compliance Notices carry the same contractual implications as QA NCNs. The procedure for Daily QA Inspection Reports is covered in CM Procedure 053, Environmental Non-Compliance Notices.

7.0 References

WSIP Business Process Report 4a, Punch Lists and QA Non-Compliance Notices

WSIP Construction Management Procedure No. 007 - Daily QA Inspection Reports

WSIP Construction Management Procedure No. 053 – Environmental Non-Compliance Notices

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8.0 **Attachments**

009 -1  Non-Compliance Notice Process Flow Chart
009 -2  Non-Compliance Notice (from CMIS)
009 -3  Non-Compliance Log (from CMIS)
009 -4  Corrective Action Report
QA Non-Compliance Notice Flow Chart

Inspector documents in Daily QA Report ➔ QA Inspector notifies Contractor of non-conforming work and monitors corrective action ➔ Corrected?

- Yes ➔ Inspector prepares NCN ➔ Lead QA Inspector reviews NCN ➔ Approved?
  - No ➔ Inspector documents in Daily QA Report and closes action
  - Yes ➔ Project CM transmits NCN to Contractor

- No ➔ Contractor submits letter disputing NCN ➔ Contractor Accepts?
  - Yes ➔ Project CM directs Contractor to perform work ➔ Contractor Accepts?
    - Yes ➔ Project CM directs Contractor to stop work and/or stops payment for work ➔ Lead QA Inspector closes NCN and transmits to Contractor ➔ Project CM Accepts?
      - Yes ➔ Contractor submits CAR to Project CM describing corrective work ➔ Project CM reviews CAR and forwards to Lead QA Inspector ➔ Lead QA Inspector reviews CAR, Daily QA Inspection Reports, and inspects work ➔ Project CM Accepts?
        - Yes ➔ Project CM directs Contractor to perform work ➔ Contractor Accepts?
          - Yes ➔ Project CM directs Contractor to stop work and/or stops payment for work ➔ Lead QA Inspector closes NCN and transmits to Contractor ➔ Project CM Accepts?
            - Yes ➔ Contractor submits letter disputing NCN ➔ Contractor Accepts?
              - Yes ➔ Project CM transmits NCN to Contractor ➔ Project CM Accepts?
                - Yes ➔ Contractor submits CAR to Project CM describing corrective work ➔ Project CM reviews CAR and forwards to Lead QA Inspector ➔ Lead QA Inspector reviews CAR, Daily QA Inspection Reports, and inspects work ➔ Project CM Accepts?
                  - Yes ➔ Project CM directs Contractor to perform work ➔ Contractor Accepts?
                    - Yes ➔ Project CM directs Contractor to stop work and/or stops payment for work ➔ Lead QA Inspector closes NCN and transmits to Contractor ➔ Project CM Accepts?
                      - Yes ➔ Contractor submits letter disputing NCN ➔ Contractor Accepts?
                        - Yes ➔ Project CM transmits NCN to Contractor ➔ Project CM Accepts?
                          - Yes ➔ Contractor submits CAR to Project CM describing corrective work ➔ Project CM reviews CAR and forwards to Lead QA Inspector ➔ Lead QA Inspector reviews CAR, Daily QA Inspection Reports, and inspects work ➔ Project CM Accepts?
                            - Yes ➔ Project CM directs Contractor to perform work ➔ Contractor Accepts?
                              - Yes ➔ Project CM directs Contractor to stop work and/or stops payment for work ➔ Lead QA Inspector closes NCN and transmits to Contractor ➔ Project CM Accepts?
                                - Yes ➔ Contractor submits letter disputing NCN ➔ Contractor Accepts?
                                  - Yes ➔ Project CM transmits NCN to Contractor ➔ Project CM Accepts?
                                    - Yes ➔ Contractor submits CAR to Project CM describing corrective work ➔ Project CM reviews CAR and forwards to Lead QA Inspector ➔ Lead QA Inspector reviews CAR, Daily QA Inspection Reports, and inspects work ➔ Project CM Accepts?
                                      - Yes ➔ Project CM directs Contractor to perform work ➔ Contractor Accepts?
                                        - Yes ➔ Project CM directs Contractor to stop work and/or stops payment for work ➔ Lead QA Inspector closes NCN and transmits to Contractor ➔ Project CM Accepts?
QA NONCOMPLIANCE NOTICE

SAN FRANCISCO PUBLIC UTILITIES COMMISSION
WATER SYSTEM IMPROVEMENT PROGRAM

CONTRACT NAME: NO:
CONTRACT NO: DATE:
FROM: SUBJECT:
TO:

DESCRIPTION

REASON:

SOLUTION REQUIRED:
Signed: ____________________ Signed: ____________________
Lead QA Inspector Contractor
Date: ____________________ Date: ____________________

CORRECTIVE ACTION BY CONTRACTOR

REQUIRED BY: STARTED: COMPLETED:
Signed: ____________________ Signed: ____________________
Contractor Project Construction Manager
Date: ____________________ Date: ____________________

File Code: 01-000.07 - Non-Compliance Notices

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## NON COMPLIANCE NOTICE LOG

**SAN FRANCISCO PUBLIC UTILITIES COMMISSION**

**WATER SYSTEM IMPROVEMENT PROGRAM**

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File Code: 014000.07 - Non-Compliance Notices
**CORRECTIVE ACTION REPORT**

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