

Note to all HMC Members Regarding the Water System Upgrade

Our Water System Upgrade Project (the “Project”) is now in the hands of our professional contractors. Currently they are in the process of finishing the initial engineering designs, scope of work and permitting portions of the Project. Once this part of the Project is finished, we will proceed to the construction bidding phase. After the construction bid is awarded and we enter into a Contract for the construction itself, we will be breaking ground to install the new water system.

IMPORTANT: As with any construction project, once the Contract is awarded, any changes to this Contract will be made by a Change Order. Change Orders typically increase the cost of the project, which would be passed on to all HMC Members. Change Orders may be initiated by the Contractor or by HMC Management itself. However, individual Members can inadvertently initiate a Change Order by, for example, something as simple as a Member asking the Contractor to remove a tree stump while they are digging in that area, by asking for copies of construction prints, or by asking for additional information, which could delay the work. The Contractor will usually be more than willing to remove the stump, provide copies, or stop work and explain the process. When this happens, however, we would expect that the Contractor’s Site Foreman would generate a Change Order to the Contract, the Contractor would charge HMC for this, and would add this charge onto HMC’s bill.

Nearly all companies have only one individual who is authorized to approve any Change Orders. The Contractor is informed at the very beginning of the Project who that person is and that only the designated authorized individual may authorize Change Orders. This avoids unexpected cost overruns at the end of the Project. **HMC will be following this standard practice.**

For the Water System Upgrade Project, the designated approval authority for any and all Change Orders on the Project shall be the HMC Board, acting only through the HMC Island Manager as the sole agent of the HMC Board for this purpose.

All HMC members are encouraged to learn what is going on and to ask questions as this is our Project. But please be careful and mindful of the potential risks of increasing our construction costs, which would ultimately be felt in your pocketbook. Please route all questions and requests about the Project through the HMC Island Manager. By doing so, we can best assure that this Project is completed in the most economical manner as possible.

HMC Board