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Distribution: Executive Facilities Officers, Procurement and Support Services Officers, Directors of Facilities Operations, CPDC Staff, Andrea Gunn Eaton – University Counsel

Subject: Hazardous Material Demolition & Owner Controlled Insurance Program (OCIP) Coverage

A. Information: On major capital construction projects where there is an OCIP, Hazardous Material Abatement work is always excluded as a part of coverage, regardless of the scope. As for demo, the intention is to exclude heavy demo such as the complete removal of a building. No explosives or wrecking balls permitted. Work such as ripping out walls, jack-hammering a foundation or sidewalk can be included. If there is any question as to whether or not the demo is “too heavy,” please contact CPDC CM, as the Insurance Program Auditors may need to take it to the underwriter for approval.

When the underwriters audit project payroll, any payroll for abatement work or heavy demolition will be excluded and not considered a part of the premium calculation.

When calculating direct construction costs for OCIP enrollment purposes, costs for abatement and heavy demolition should be excluded.

B. Where to Find: Information can be found on what's included in the OCIP on the CPDC CM Website below under CSU Owner Controlled Insurance Program.

C. Website: http://www.calstate.edu/cpdc/CM/OCIP.shtml

D. Applicability: California State University Systemwide

End of Bulletin