

# ENGINEERING & CONSTRUCTION Bulletin

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Type: Policy

**Subject:** NAVFAC Red Zone Policy for Construction Contracts

## 1. Purpose.

To promulgate policy for facilitating effective and efficient construction completion, contract closeout, and turnover of NAVFAC constructed facilities to the Client. This NAVFAC Red Zone (NRZ) initiative focuses on planning and executing the actions required to render facilities complete and usable for timely turnover to the Client. NRZ also supplements aspects of facility turnover that are not included in the construction contract (e.g. NMCI, collateral equipment, etc.).

## 2. Background.


The success of any NAVFAC construction contract is determined by how well the facility supports the Client's mission and operational needs. The timely construction completion and turnover of a fully operational facility to the Client are important elements in achieving a high level of Client satisfaction. Each member of the project delivery team (Client, NAVFAC, and the contractor) has critical responsibilities to ensure timely completion and turnover of the new facility and each member should execute the NRZ process to achieve this end. The NAVFAC Project Manager (PM)/Design Manager (DM) has the lead to coordinate NRZ requirements in the RFP (Pre-award) and the Construction Manager (CM) has the lead to coordinate Facility Turnover Planning meetings and monitor the entire NRZ Checklist/Plan of Action and Milestones (POAM). NRZ focuses attention to details for a successful contract completion and turnover of the constructed facility.

## 3. Policy.

The NRZ process will be employed on NAVFAC construction contracts in accordance with BMS Process B-1.6.11 NAVFAC Red Zone. The NRZ initiative is focused on identifying all issues that could adversely impact contract completion and initial operating capability. The process addresses elements of construction completion, facility delivery activities, and contractor, Client, and NAVFAC actions. The process establishes business practices such as checklists, scheduling tools, meetings, and other tools to mitigate potential delays and costs and enable timely delivery of the completed project. Clear expectations for facility turnover will be established at the Post Award Kickoff meeting. The NRZ process will begin within the last 25% of contract time or three to six months before Beneficial Occupancy Date (BOD), whichever comes first, and extend to contract closeout.

## 4. Deployment.

All NAVFAC field activities will immediately implement this policy as prescribed in BMS process B-1.6.11. The PM/DM will incorporate NRZ requirements for contracts in Pre-award and the CM will incorporate meetings, checklists, and milestones on contracts that are awarded.



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