

During the July 27th BOE Meeting there will be several change orders submitted requesting approval. These change orders will not exceed the \$88,000.00 contingency that was set aside for BG23-065 – GOS / Transportation Project. On behalf of the district, verbal permission has been given to move forward with the change order requests to ensure the project stays on target for completion prior to the start of the 23-24 school year. Our permission was based on a review of the request for the change orders by the Design Team and their recommendation that we proceed with the changes. This information is being provided in advance to allow for questions and/or concerns to be addressed regarding change orders, contingency, etc.

For your information we have provided the below to help clarify the following terms:

CHANGE ORDER - a written instruction to the contractor, signed by the owner, the architect/engineer, (the Construction Manager if such services are employed) and the contractor issued after execution of the contract, authorizing additional work, deletion, or revision in the scope of work or an adjustment in the contract sum or the contract time. **See Section 9 – Contract Change Orders** for additional information

Section 9 – Contract Change Orders Change Orders - Throughout the course of any construction projects, changes will occur. These changes are as much a part of the process as design and bidding and should be considered so by all involved. Changes that are minor in nature and do not affect cost or time can simply be executed by written instructions from the affected parties. In any correspondence relating to changes to the work of any kind, it is critical that all of the following be copied on any documents; Owner, Architect, CM (if used) and Contractor. Where a change occurs which affects construction cost or time, a more formalized process called a “Change Order” should be undertaken. This process starts when a need for a change is brought to the attention of the project team by any member of that team. The need for the change should be evaluated by the Architect (or CM is used) to determine if it has merit for consideration by the Owner. During the construction process, the traditional role of the Architect is expanded. Prior to this time, the Architect is the primary design consultant to the Owner and as such represents the Owner’s interests in the project. But during the construction process, however, the Architect is contractually obligated to act as an impartial reviewer of the construction process and must review all actions in an impartial manner to provide decisions and advice which is solely based on interpretations of the contract documents. The evaluation of need should be documented by the Architect in written correspondence with the Owner and the contractor. Once a determination of the need for a change is made, the Architect should solicit information from the contractor which outline the adjustment to the price and time for the change noted. The contractor should then respond to the Architect’s communication by providing a breakdown of the costs and time adjustments needed for the change for review by the Architect. The Architect should then evaluate the information and, if found to be consistent with the contract, issue a Change Order to be signed by the contractor and then considered by the Owner.

Each Change Order should be presented to the BOE for review and should include copies of the correspondence used to develop the Change Order. This information will allow the local 63 board to understand the need for the change and the effort taken to have moved the Change Order to them for consideration. The BOE should be an active member of the process, but they should consider that changes are inevitable and mistakes will be made.

NOTE: Change orders which create an increase in the total construction contract cost exceeding the approved BG-1 construction cost plus contingency amounts, will require submittal of a revised BG-1 financial page, prior to DFM approval of any increase in contract cost.

CONTINGENCY - the dollar amount representing 5% of the Construction Cost that is required by KDE to be set aside in a construction project to address unforeseen items that may occur during the course of the project. These monies are to be listed on the BG-1 Form. As the project progress the likelihood of problems which would need to be addressed by these funds generally diminishes. With KDE approval, the contingency funds can then be spent to add items to the project that could not be afforded at bid time or to purchase items such as furnishings and equipment to be used on the project. If these funds are not used the money can be rolled over into another project.