

DISCUSSION AND FIRST READING OF PROPOSED NEW BOARD POLICY – March 28, 2022

Policy FGG Facility Construction Project Administration

Issued: 03/2022

Purpose: To establish the basic structure for use of Change Orders as well as Contingency Allowances included in Previously Approved Contracts for school construction contracts

The district may make changes in the scope of the work required to be performed by the contractor by making additions or omissions without invalidating the contract, without relieving or releasing the contractor from any of his obligations under the contract or any guaranty given by him pursuant to the contract provisions, without affecting the validity of the guaranty bonds, and without relieving or releasing the surety or sureties of the bonds. All such work shall be executed under the items of the original contract unless expressly provided otherwise.

If applicable unit prices are not contained in the agreement, the architect shall, before ordering the contractor to proceed with desired changes, request an itemized proposal covering the work involved in the change or use of contingency allowance funds, after which the procedure shall be as follows:

1. If the Change Order proposal is acceptable, the architect shall prepare the Change Order for acceptance by the contractor. If the proposal for use of contingency allowance funds included in a previously approved contract is acceptable, the architect shall prepare a statement to be submitted to the board. For Change Orders to be accepted the owner, architect, and contractor must all agree.
2. Each Change Order or Request for Use of Contingency Allowance Funds shall include in its final form:
 - a. A detailed description of the change in the work,
 - b. The contractor's proposal (if any) or a conformed copy,
 - c. A definitive statement as to the resulting change in the contract price and/or time; and,
 - d. The statement that all work involved in the change or request shall be performed in accordance with contract requirements except as modified by the change order.
3. No extra work for which will result in a change order shall be done nor any obligation incurred for payment except upon a written order fully signed by the owner's representative and the Office of School Planning and Building of the State Department of Education. No extra work for which will result in a request for use of contingency allowance funds shall be done nor any obligation incurred for payment except upon a written order fully signed by the owner's representative. Information on such Change Orders or Requests for Use of Contingency Funds will be provided the board at the next regular board meeting. Any Change Order or Request for Use of Contingency Funds exceeding \$50,000 or enlarging the scope requires board approval before the order is placed.
4. In order to limit excessive usage of contingency, the administration will follow the project checklist, research similar project contingencies, then present a conservative proposal to encompass the scope of work to the board before approval of each use of contingency. In any case, regardless of the use of the \$50,000 limit for either change orders or contingency funds, the administration shall report such usage in any amount to the board on a quarterly basis.