

Director of Facilities and Operations
North Penn School District

To: Support Services Committee
From: Scott Kennedy
Date: April 2018
Re: Construction Change Order Process

Through the course of a construction project there may be times when a contractor is required to be paid additional moneys for work that is outside the scope of the contract documents, hence requiring a change order to be issued. In some cases the contractor may require a quick response to a change order request in order avoid project delays. In these cases a change order procedure can be put into place to allow for a preliminary acceptance of the change order and have it ratified by the Board at a subsequent meeting.

In an effort to suggest a process we offer the following:

For change order amounts under \$15,000, the Director of Facilities and Operations will do the following:

- Negotiate the change order amount with the contractor.
- Inform the Superintendent and Director of Business Administration of the change order details.
- Provide the Support Services Committee with an email outlining the need and the amount of the change order.
- Authorize the work to proceed if the change order is deemed acceptable.
- Bring the change order to the next Support Services meeting for formal review
- Include the change order at the following action meeting of the Board.

For change order amounts over \$15,000, the Director of Facilities and Operations will do the following:

- Negotiate the change order amount with the contractor.
- Inform the Superintendent and Director of Business Administration of the change order details.
- Provide the Support Services Committee with an email outlining the need and the amount of the change order.
- Bring the change order to the next Support Services meeting for formal review.
- Include the change order at the following action meeting of the Board.
- Authorize the work to proceed if the change order is approved by the Board.

At times a negotiated price cannot be agreed upon and a construction change directive (CCD) can be issued. A CCD authorizes the contractor to proceed with the work based upon agreed unit prices for the required work. Many CCD's can also include an amount not to exceed. CCDs would be handled in the same manner, and with the same limits, as described above.

We respectfully request the Support Services Committee consider approving the change order process as listed above on those change orders which are critical in nature and could slow, stop, or adversely impact the progress of the project.