

TARRANT COUNTY FACILITIES – CONSTRUCTION CHANGE PROCESS

PURPOSE

The purpose of this Process is to provide an overview of the change order procedures. Change orders are used to implement and document changes to the construction contract. A change order is a document issued to the Construction Manager (CM) to identify required changes to the original plans, specifications, or other contract documents. Upon successful negotiation of the associated changes in project scope, cost and schedule, the final change order as approved by Commissioners Court, becomes a legal amendment to the construction contract.

Types of changes include: 1) changed/unforeseen conditions, 2) changes in scope, 3) errors and omissions. Once the change is recognized, the CM must determine if the change meets the criteria of the “Fast Track Process” (expedited to reduce the opportunity for construction delay) or “Normal Process” (longer time for review and decision).

PROCEDURE

Ideally, no change work is to be performed until CM has an executed change order in hand. On rare occasions, an approval to proceed with the change work prior to issuance of an executed change order may be requested from the Director of Facilities Management. (*Note: Approval authority cannot exceed \$50,000.*) When prior approvals are given, it is with the understanding that the need is immediate and that the change order will follow as soon as possible. All work changes which have a longer time for review and decision should be handled under the normal process.

Prior Approval (Fast Track Process)

1. CM will immediately notify Facilities Project Manager (FPM) of the potential change. After notification, the CM submits consecutively numbered Change Request (CR) to FPM within 2 days of the occurrence of the change that indicates the nature of the change work, the benefit to the County to expedite this change work, a rough order of magnitude estimate (Not to Exceed Amount) and any impact to construction schedule.
2. Once the CR is reviewed by FPM and Director, a decision will be made whether or not to accept the price and time submitted by the CM. If rejected, the process ends. If accepted, the CM will be given a Notice to Proceed with the work and Facilities Project Coordinator will file a Notice of Potential Change Request with Commissioners Court.
3. Within 15 days, CM will submit to the Architect and FPM an itemized cost estimate including all backup from trade contractors and vendors. An important step of this process is preparing an independent cost estimate for the change and not just a reiteration of the trade contractor's and vendor's estimates. After approval of the Change Request by the Architect and Owner, the CM will be instructed to include this Change Request on their next Owner Change Order. If rejected, the CM and FPM will re-examine the estimate and will endeavor to negotiate a fair and equal amount.
4. Construction Manager understands that the timeframe involved for Change Order approval will require an average of thirty (30) days. Therefore, it is to the CM's advantage to process Change Orders on a timely basis.

No Prior Approval (Normal Process)

1. CM submits Change Request to the Architect and FPM within 15 days of the occurrence of the change indicating the total cost of the change, the description, additional time requested, the document number issued by the Architect (Proposal Request number, etc) with complete back-up including quotations from trade contractors and vendors. An important step of this process is preparing an independent cost estimate for the change and not just a reiteration of the trade contractor's and vendor's estimates.
2. Architect and FPM will review the Change Request and will notify the CM if there are any questions or comments. CM will provide any additional documentation needed to clarify quotations.
3. Once the Change Request is reviewed and accepted, the CM will be notified to include this Change Request on their next Owner Change Order and submit for approval by Commissioners Court. Construction Manager understands that the timeframe involved for Change Order approval will require an average of thirty (30) days. Therefore, it is to the CM's advantage to process Change Orders on a timely basis.

Allowances

1. Allowances provided for in the Contract Documents shall be authorized only by duly adopted Change Orders and approved by Commissioners Court.

CHANGE ORDER FORMAT

CM should issue draft Change Orders for the Architect's and Owner's review before submitting all copies. This will help in alleviating any errors and having to resubmit. Once the draft has been accepted, CM will submit the Change Order with supporting back-up to the Architect for their signature.

1. Change Order format is as follows:
 - a. Provide an AIA G701 Change Order format
 - b. List each Change Request separately indicating the CR number, description of what is being changed, why it is being changed, and total.
 - c. Submit four (4) copies of signed Change Orders to the Architect for their signature. The back-up to the Change Orders should include copies of CM's estimates, Trade Contractor proposals, and any information pertinent to the CR (only one copy of backup is required for Tarrant County).
 - d. Architect will submit 4 copies to FPM for final approval by Commissioners Court.
Note: Signature block for Owner should read:

*Owner: Tarrant County
Address: 100 E. Weatherford
Fort Worth, TX 76196
By: Judge B. Glen Whitley*

- e. A fully executed copy will be returned to the CM by Facilities Management and a complimentary pdf file will be emailed to the Architect.

PURCHASE ORDER SUPPLEMENT

Tarrant County Purchasing Department will issue a supplement to the CM Purchase Order for the amount of the Change Order after approval by Commissioners Court.

BUDGET REALLOCATIONS

Contingency

Any use of Construction Contingency requires prior approval of Tarrant County. CM will submit a Budget Reallocation request form (example attached) to FPM listing all items that have been acknowledged by Facilities Management to be compensable from Contingency. The request should include:

- Bid Package Number (where Contingency is being reallocated),
- Name of Bid Package and Trade Contractor,
- Description of what is being changed and why it is being changed (i.e. requested by Owner, requested by City Inspector, scope not included on original plans, etc.).

This document will be submitted to Commissioners Court for approval. Once approved, the amounts should be added to the CM Application for Payment and listed in the same manner as Change Orders.

General Conditions

If there is an instance where funds are moved from General Conditions to a trade package, a Budget Reallocation will be required. This should include the trade package, description, reason, and amount ADDED, and the General Conditions Allowance where the item is being DEDUCTED, for a net "zero" total (see Budget Reallocation example attached).

Trade Contractor Budget Adjustments

Movement of items from trade package to trade package (backcharges, etc.) will not require a budget reallocation, but should be listed as a separate line item on the Application for Payment.

No additional Purchase Orders will be issued for Budget Reallocation changes.

Attachment: Budget Reallocation Example
Construction Change Process Flow Chart

End of Section

NAME OF PROJECT
BUDGET REALLOCATION

Budget Reallocation No.: One (1)

Date: April 1, 2009

In accordance with the terms of the Construction Agreement dated _____, _____, [Construction Manager's Name] determines that the following items(s) of cost are compensable from the Construction Contingency. All items are within the Cost of the Project and do not constitute any change in the Guaranteed Maximum Price.

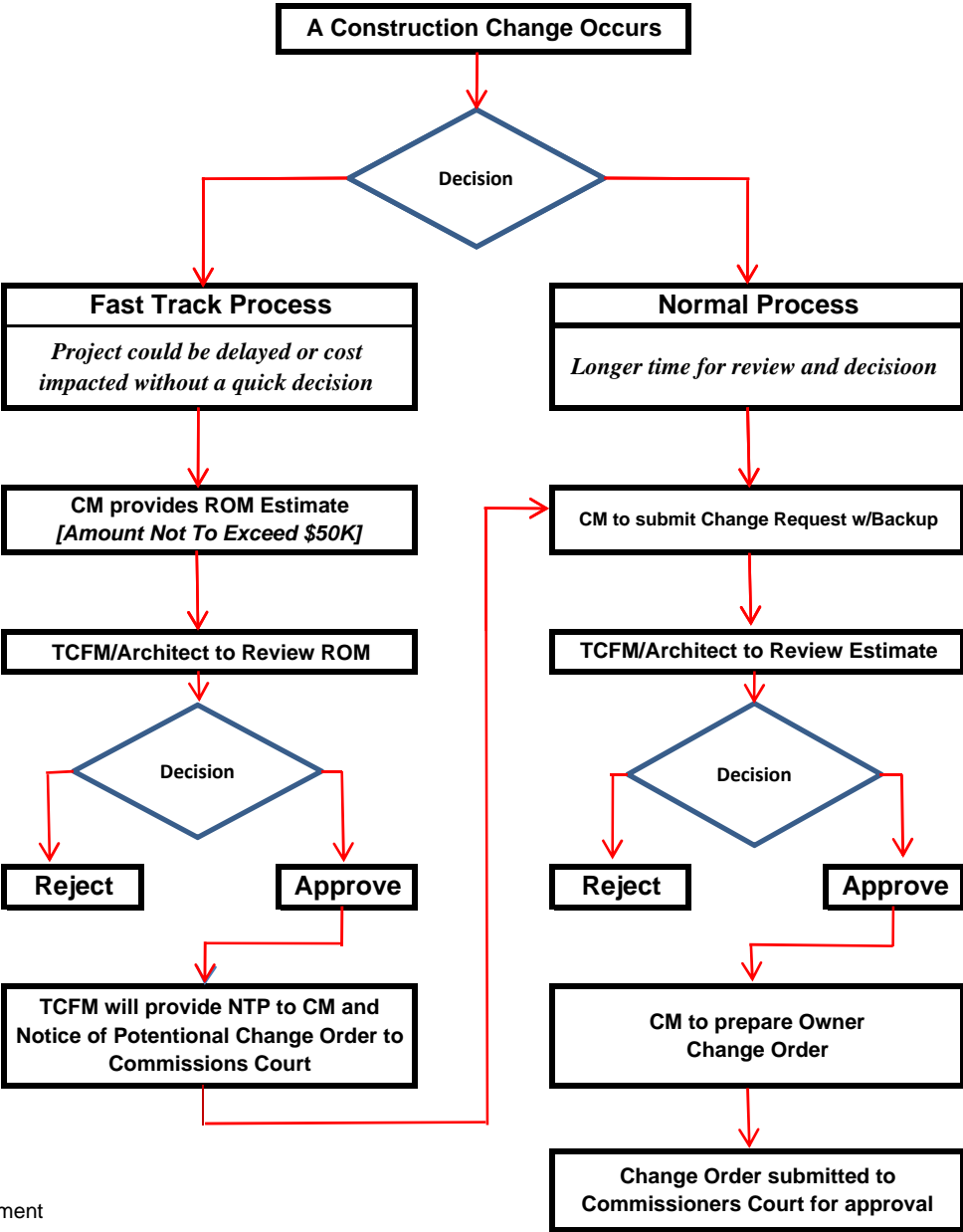
1. BP-7C Joint Sealants: Change color of caulking as requested by Architect and Owner.
DEDUCT CONTINGENCY (2,122)
2. BP-8A Storefront: Refabricating window frame due to design change.
DEDUCT CONTINGENCY (2,271)
3. BP-15A Mechanical: Relocation of mop sink in lavatory in Room 228 due to conflict in drawings.
DEDUCT CONTINGENCY (1,672)
4. BP-06A Millwork: Modifications to millwork finishes per ASI #14 due to contract document coordination.
DEDUCT CONTINGENCY (408)

Original Construction Contingency Budget	\$	250,000
Previously Authorized Reallocation	\$	(0)
This Reallocation	\$	(6,473)
Balance of Construction Contingency	\$	243,527

The following represents Budget Adjustments to Bid Packages and General Conditions included within the Cost of the Project and does not constitute any change in the Guaranteed Maximum Price:

BP-2A Site Demolition, Earthwork	ADD \$450
General Conditions	DEDUCT \$450
Install silt fence around topsoil stockpile to conform to the Storm Water Pollution Prevention Plan.	

Tarrant County Facilities Management Construction Change Process Flow Chart



ROM = Rough Order of Magnitude
 TCFM = Tarrant County Facilities Management
 Revision date: 01-22-10

FACILITIES MANAGEMENT INTER-OFFICE NOTIFICATION OF POTENTIAL CHANGE ORDER

Facilities Project Manager (FPM) will provide a notice of potential change to Director of Facilities for construction changes (that change the price), use of Allowances, and use of Contingency. The Notification of Potential Change Order (NPCO) form should be used to submit changes requested by Contractor, Departments, User Groups, etc. This form should include the following information and include the signature of Facilities Project Manager, Sr. Facilities Management, Department and Elected Official (if required) acknowledging order of magnitude cost and time impact:

- Change requested by
- Reason revision required
- Order of magnitude
- Detailed description of scope changes
- Schedule impact

Prior Approval (Fast Track Process)

After Director approves the request, FPM will send a copy of the NPCO with Director's approval to Facilities Management Project Coordinator where a Court Communiqué will be prepared and added to the next weeks Court Agenda. A copy of each Court Communiqué will be filed on the Facilities server and the Log for Notice of Potential Change Orders updated with all Notifications to Court. FPM will send a notice to proceed to CM and request they complete a detailed estimate including all backup from CM trade contractors and vendors and submit within 14 days. All approved changes should be included on Owner Change Order and submitted to Commissioners Court in a timely manner.

No Prior Approval (Normal Process)

Once the Change Request is reviewed and accepted by Architect, FPM and Director of Facilities, the CM will be notified to include this Change Request on their next Owner Change Order and submit for Commissioners Court approval. All Owner Change Orders should be submitted to Commissioners Court in a timely manner.

Attachment: Notification of Potential Change Order

End of Section

Tarrant County

Facilities Management
Construction Services

POTENTIAL CHANGE ORDER	PROJECT NUMBER _____ - PCO _____	Fast Track <input type="checkbox"/>
-------------------------------	--	--

PROJECT TITLE: _____ DATE: _____

CHANGE REQUESTED BY:

- Client Department Contractor Design Professional
 Facilities Management Other TC Department

REVISION REQUIRED DUE TO:

- Design Changes Design Discrepancy Management
 Unknown Condition User Request

REASON FOR CHANGE:

CM PCO #: _____ COST ESTIMATE: \$ _____

POTENTIAL CHANGE LANGUAGE

CHANGE REQUEST TITLE: _____

CHANGE REQUEST DESCRIPTION:

ATTACHMENTS:

DOCUMENT REFERENCE (DRAWING NUMBERS/ SPEC SECTIONS/ PR NUMBER):

PROJECT MANAGER:

- Recommend Not Recommend

NAME: _____

SIGNATURE: _____

DATE: _____

SR. FACILITIES MANAGEMENT:

- Recommend Not Recommend

NAME: _____

SIGNATURE: _____

DATE: _____

DEPARTMENT: Accept Reject

NAME: _____

SIGNATURE: _____

DATE: _____

ELECTED OFFICIAL: Accept Reject

NAME: _____

SIGNATURE: _____

DATE: _____

Routing:

- DP – Approved
DI – CCC complete

Final Cost: _____
Court Approval Date: _____
Court Order Number: _____
Owner Change Order Number: _____
Budget Reallocation Number: _____