Change Order Policies and Procedures in Washington State
[Responses from City-County Contact Group, July- August 2009]

Municipal Research and Services Center of Washington

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Does your agency have written change order authorization policies?

What level(s) and amount(s) of change order approval authority exist(s) in your agency?
   Construction Inspector?
   Project Engineer?
   Project Manager?
   City/County Engineer?
   Public Works Director?
   Mayor, City Manager or other Chief Executive Officer?.

Does your policy reference a dollar figure or a percentage of the original contract amount?

What level of change order approval authority is required to go to the elected officials for approval?

Are any of these change order approval authority policies adopted by the agency's elected officials as either policies, ordinances, resolutions, etc.?

Please furnish electronic copies of the polices and adoptive language.

Please call or email me if you have any questions or need further information.

John W. Carpita, P.E.
Public Works Consultant
Municipal Research and Services Center
2601 Fourth Avenue, Suite 800
Seattle, WA 98121-1280
206-625-1300
Fax: 206-625-1220
jcarpita@mrsc.org
www.mrsc.org
---Original Message-----

From: John Carpita [mailto:jcarpita@mrsc.org]
Sent: Tuesday, August 04, 2009 3:01 PM
Subject: Change Order Approval Authorization Policies

Does your agency have written change order authorization policies? [Russ Esses] yes

What level(s) and amount(s) of change order approval authority exist(s) in your agency?
  Construction Inspector?
  Project Engineer?
  Project Manager?
  City/County Engineer? [Russ Esses] unlimited authorization if funds are in the budget.
  Public Works Director?
  Mayor, City Manager or other Chief Executive Officer?.

Does your policy reference a dollar figure or a percentage of the original contract amount?[Russ Esses] no

What level of change order approval authority is required to go to the elected officials for approval? [Russ Esses] n/a

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.?

Please furnish electronic copies of the polices and adoptive language.

Please call or email me if you have any questions or need further information.

John W. Carpita, P.E.
Public Works Consultant
Municipal Research and Services Center
2601 Fourth Avenue, Suite 800
Seattle, WA 98121-1280
206-625-1300
Fax: 206-625-1220
jcarpita@mrsc.org
www.mrsc.org
These are great questions and once you have complied information from all the agencies, I would appreciate a copy of the findings. Bothell is in the process to propose changes to our current City’s procurement policy on change order policies. See responses of our current practices in response to your list of questions:

Note: City of Bothell is a Council- City Manager form of government. City Council has adopted procurement policies and the change order policies are found in Section 5.9, see excerpt of the section.

What level(s) and amount(s) of change order approval authority exist(s) in your agency?

Answer:

Change orders are to be approved in accordance with the cost thresholds outlined in this section, provided that the changes do not increase the project’s cost in excess of previously approved budget appropriations.

The City Council must approve any change order that increases a project’s cost beyond previously approved budget appropriations.

Contract total remains below $200,000 - Change orders are to be approved by the City Manager.

Contract total moves to $200,000 or more, but the total cumulative amount of change orders is 10% or less - Change orders to be approved by the City Manager.

Contract total moves to $200,000 or more & the total cumulative amount of change orders is more than 10% - Council must authorize the City Manager to approve the revised contract.

Construction Inspector? None
Project Engineer? None
Project Manager? None
City/County Engineer? None
Public Works Director? None
Mayor, City Manager or other Chief Executive Officer?

Answer: see above

Does your policy reference a dollar figure or a percentage of the original contract amount? see above answer on thresholds and authority level by City Manger or Council.

Answer: see above

What level of change order approval authority is required to go to the elected officials for approval?

Answer: see above

Good luck and look forward to a report on change orders for PW contracts.

Eddie Low, P.E.
Deputy Public Works Director
City of Bothell Department of Public Works
What level(s) and amount(s) of change order approval authority exist(s) in your agency?

Construction Inspector?

Project Engineer?

Project Manager?

City/County Engineer?

Public Works Director?

Mayor, City Manager or other Chief Executive Officer?

Does your policy reference a dollar figure or a percentage of the original contract amount?

What level of change order approval authority is required to go to the elected officials for approval?

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.?

Please furnish electronic copies of the policies and adoptive language.

Please call or email me if you have any questions or need further information.

John W. Carpita, P.E.
Public Works Consultant
Municipal Research and Services Center
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Seattle, WA 98121-1280
206-625-1300
Fax: 206-625-1220
jcarpita@mrsc.org
www.mrsc.org
John Carpita

From: Steven Leniszewski [steven.leniszewski@duvallwa.gov]
Sent: Tuesday, August 04, 2009 4:06 PM
To: John Carpita
Subject: RE: Change Order Approval Authorization Policies
Attachments: code 3.12.pdf

Answers in Blue.

Steve Leniszewski, PE
Public Works Director
City of Duvall
425-788-3434x 225

From: John Carpita [mailto:jcarpita@mrsc.org]
Sent: Tuesday, August 04, 2009 3:01 PM
Subject: Change Order Approval Authorization Policies

Does your agency have written change order authorization policies? Yes

What level(s) and amount(s) of change order approval authority exist(s) in your agency?
  Construction Inspector? 0
  Project Engineer? 0
  Project Manager? 0
  City/County Engineer? 0
  Public Works Director? $20,000 or 20%, whichever is less relative to the original contract amount
  Mayor, City Manager or other Chief Executive Officer? NA

Does your policy reference a dollar figure or a percentage of the original contract amount? Yes, both.

What level of change order approval authority is required to go to the elected officials for approval? Any amount greater than $20k or 20% of the project would have to go to the City Council.

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.? Policy

Please furnish electronic copies of the polices and adoptive language.

Please call or email me if you have any questions or need further information.

John W. Carpita, P.E.
Public Works Consultant
Municipal Research and Services Center
2601 Fourth Avenue, Suite 800
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Fax: 206-625-1220
jcarpita@mrsc.org
www.mrsc.org
Mr. Carpita,

Please find attached.

Thank you,

Amy Taylor
Town Clerk of Friday Harbor
PO Box 219
Friday Harbor, WA 98250
(360) 378 - 2810
Attached is the City’s change order ordinance for your use and information. I believe this covers a majority of the questions you raised. Tom

From: Jim Miller
Sent: Tuesday, August 04, 2009 3:17 PM
To: Tom Fuchs
Subject: Change Order Approval Authorization Policies

Tom:
Would you please answer the questions below.

Thx,
Jim

From: Tom Thetford
Sent: Tuesday, August 04, 2009 3:15 PM
To: Jim Miller
Subject: FW: Change Order Approval Authorization Policies

Tom Thetford, P.E.
Utilities Director
tthetford@ci.everett.wa.us
425-257-8824

From: John Carpita [mailto:jcarpita@mrsc.org]
Sent: Tuesday, August 04, 2009 3:01 PM
Subject: Change Order Approval Authorization Policies

Does your agency have written change order authorization policies?

What level(s) and amount(s) of change order approval authority exist(s) in your agency?
- Construction Inspector?
- Project Engineer?
- Project Manager?
- City/County Engineer?
- Public Works Director?
- Mayor, City Manager or other Chief Executive Officer?

Does your policy reference a dollar figure or a percentage of the original contract amount?
We have it at the City Engineer level as long as the CO is within the project accounting, if it exceeds Council dollar authority it has to go to Council for approval.

Does your agency have written change order authorization policies?

What level(s) and amount(s) of change order approval authority exist(s) in your agency?
- Construction Inspector?
- Project Engineer?
- Project Manager?
- City/County Engineer?
- Public Works Director?
- Mayor, City Manager or other Chief Executive Officer?

Does your policy reference a dollar figure or a percentage of the original contract amount?

What level of change order approval authority is required to go to the elected officials for approval?

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.?

Please furnish electronic copies of the polices and adoptive language.

Please call or email me if you have any questions or need further information.
John,
Please see below in the body of your email for my responses.

Wrandoll Brenes Morua, PE
City Engineer
City of Walla Walla
(509) 527-4537

From: John Carpita [mailto:jcarpita@mrsc.org]
Sent: Tuesday, August 04, 2009 3:01 PM
Subject: Change Order Approval Authorization Policies

Does your agency have written change order authorization policies?

What level(s) and amount(s) of change order approval authority exist(s) in your agency?

- Construction Inspector? None
- Project Engineer? None
- Project Manager? None
- City/County Engineer? None
- Public Works Director? None
- Mayor, City Manager or other Chief Executive Officer? $20,000 or 10% of the contract amount whichever is greater for the aggregate of all change orders.

Does your policy reference a dollar figure or a percentage of the original contract amount? City Manager has authority to execute contracts up to $20,000 or 10% of the contract amount whichever is greater.

What level of change order approval authority is required to go to the elected officials for approval? Anything above an aggregate of $20,000 or 10% of the contract amount whichever is greater.

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.? By the Municipal Code.

Please furnish electronic copies of the polices and adoptive language. Please see section of Municipal Code below.

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2.09.010 Office created – Appointment – Powers and duties.

The office of the city manager is created and established. The city manager shall be appointed, bonded and shall perform the functions of his office in accordance with the provisions of RCW Chapter 35A.13. Nothing contained herein shall be construed as derogating from the power of the city council to establish policy, to direct and supervise the affairs of the city as required by law, and to create or abolish departments or permanent positions of city government, or to exercise any other powers delegated to it by law. (Ord. 94-12 § 1(Exh. A)(part), 1994).

2.09.020 Officers to cooperate.

It shall be the duty of all officers, employees and agents of the city, including the city attorney, to cooperate with and assist the city manager in administering the affairs of the city most efficiently, economically and harmoniously, so far as may be consistent with their duties and obligations to the city. (Ord. 94-12 § 1(Exh. A)(part), 1994).

2.09.030 Authority to execute agreements, contracts and leases.

The city manager, and, in the absence of the city manager, the acting city manager, is authorized to execute the following agreements, contracts and leases on behalf of the city of Walla Walla; provided, that sufficient funds required for any appropriations have been budgeted by the council:

A. Agreements, contracts and leases, and amendments thereto, with an annual value up to twenty thousand dollars;
B. Agreements, contracts and leases awarded by the council at any regular or special meeting of the council;
C. Any other agreements, contracts and leases authorized by the council by ordinance, resolution, or motion; and
D. Amendments to agreements, contracts and leases awarded or authorized by the council; provided, that the aggregate value of all amendments to any agreement, contract and lease may not exceed twenty thousand dollars or ten percent of the original contract amount, whichever is greater, unless otherwise authorized by the council.

Agreements, contracts, and leases executed by the city manager on behalf of the city of Walla Walla shall be filed with the office of the city clerk and open to public inspection in the manner provided by law subject to exceptions, prohibitions, and exemptions therein provided. The city manager shall regularly report to the council all agreements, contracts and leases executed by the city manager on behalf of the city of Walla Walla. (Ord. 2003-14 § 1, 2003: Ord. 97-33 § 1, 1997: Ord. 94-12 § 1(Exh. A)(part), 1994).

Please call or email me if you have any questions or need further information.

John W. Carpita, P.E.
Public Works Consultant
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jcarpita@mrsc.org
www.mrsc.org
John Carpita

From: Barry Scott [BScott@ci.kirkland.wa.us]
Sent: Wednesday, August 05, 2009 7:52 AM
To: John Carpita
Subject: RE: [pnppa] Change Order Approval Authorization Policies

John,

Below is the section of the Kirkland Municipal Code that outlines how Contract Amendments/Change Orders are to be handled:

3.85.220 Contract amendments/change orders.
   (a) Amendments are changes to professional service agreements, contracts for goods and contracts for routine maintenance.
   (1) If an amendment increases the total value of the contract, the contract amendment must be approved by the appropriate authority based on the new value of the contract. Any amendment that takes a contract value over fifty thousand dollars requires the approval of the city manager. The city manager may choose to seek additional council approval.
   (2) Contracts awarded by the council may also authorize negotiation of amendments without further council approval being needed.
   (3) Amendments that do not change the total value of the contract (e.g., extended duration) may be approved by the department director.
   (b) Change orders are changes made to a public works contract.
   (1) Public Works Under Fifty Thousand Dollars.
   (A) Department directors or their designees are authorized to approve public works contract change orders where the total value of the contract plus the change order remains below fifty thousand dollars.
   (2) Public Works Over Fifty Thousand Dollars.
   (A) Change orders, cumulatively or singly, that do not exceed the project’s contingency funding may be approved by the department director or their designee.
   (B) Change orders that cumulatively or singly increase the value of a contract to exceed the project’s contingency funding by twenty-five thousand dollars or less require the approval of the city manager. The city manager may choose to seek additional approval from the council.
   (C) The council must approve change orders that increase the value of the contract to more than twenty-five thousand dollars beyond the project’s contingency funding. (Ord. 4105 § 1 (part), 2007)

Barry L. Scott, C.P.M.
Purchasing Agent
City of Kirkland

Ph: 425-587-3123
Fax: 425-587-3110
Does your agency have written change order authorization policies?

Yes

What level(s) and amount(s) of change order approval authority exist(s) in your agency?

The Director of Facilities Management may approve and sign Construction Change Orders up to 10 percent of the original contract amount per modification, but shall not exceed the established contingency level without prior approval from the Board.

The County Engineer may execute construction change orders up to 10 percent of the contract bid award dollar amount; however, construction change orders in excess of 10 percent of the contract award are to be executed by the County Engineer and the Board.

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.?

All adopted by Board Resolution

Please furnish electronic copies of the polices and adoptive language.

4.7 Contract Change Orders

A contract change order is any written modification in the terms of a contract. This generally applies to the Facilities and Public Works departments only.

4.7.1 Contract Change Order Authority

The Director of Facilities Management may approve and sign Construction Change Orders up to 10 percent of the original contract amount per modification, but shall not
exceed the established contingency level without prior approval from the Board.

4-8

The County Engineer may execute construction change orders up to 10 percent of the contract bid award dollar amount, however, construction change orders in excess of 10 percent of the contract award are to be executed by the County Engineer and the Board.

(Resolution No. 17106)

4.7.2 Change Orders

All Change Orders must contain the County Contract Number from the original contract. Preferably, the number should be placed at the top of the form next to the Change Order Number.

Please call or email me if you have any questions or need further information.

John W. Carpita, P.E.
Public Works Consultant
Municipal Research and Services Center
2601 Fourth Avenue, Suite 800
Seattle, WA 98121-1280
206-625-1300
Fax: 206-625-1220
jcarpita@mrcsc.org
www.mrcsc.org
Hi John,

Here is our change order policy. This is part of our purchasing manual, which was issued administratively by the City Manager.

Jeff Cameron, P.E.
Public Works Director
City of Longview
1525 Broadway
P.O. Box 128, Longview, WA 98632-7080
Phone: (360) 442-5221; FAX: (360) 442-5953
Email: jeff.cameron@ci.longview.wa.us

Does your agency have written change order authorization policies?

What level(s) and amount(s) of change order approval authority exist(s) in your agency?
- Construction Inspector?
- Project Engineer?
- Project Manager?
- City/County Engineer?
- Public Works Director?
- Mayor, City Manager or other Chief Executive Officer?

Does your policy reference a dollar figure or a percentage of the original contract amount?

What level of change order approval authority is required to go to the elected officials for approval?

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.?

Please furnish electronic copies of the polices and adoptive language.

Please call or email me if you have any questions or need further information.

John W. Carpita, P.E.
Public Works Consultant
Here you go.

---

**Brian K. Carlson**
Public Works Director
City of Vancouver
PO Box 1995
Vancouver WA 98668-1995

direct line: (360) 487-7131
reception: (360) 487-7130
fax: (360) 487-7139
e-mail: brian.carlson@ci.vancouver.wa.us

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**From:** John Carpita [mailto:jcarpita@mrsc.org]
**Sent:** Tuesday, August 04, 2009 3:01 PM
**Subject:** Change Order Approval Authorization Policies

Does your agency have written change order authorization policies?

What level(s) and amount(s) of change order approval authority exist(s) in your agency?
   - Construction Inspector?
   - Project Engineer?
   - Project Manager?
   - City/County Engineer?
   - Public Works Director?
   - Mayor, City Manager or other Chief Executive Officer?

Does your policy reference a dollar figure or a percentage of the original contract amount?

What level of change order approval authority is required to go to the elected officials for approval?

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.?

Please furnish electronic copies of the polices and adoptive language.

Please call or email me if you have any questions or need further information.
I believe the answers to most of your questions are addressed in the two attachments.

Charlotte Walther, CPPB  
Procurement & Contracts Administrator  
Port of Everett  
425-388-0606

Does your agency have written change order authorization policies?

- In our Purchasing Policies, we have a chart which includes authorization for change orders. (Attached)
- The annual Delegation of Authority Resolution addresses change orders. (1 Page Attached)
- Our General Conditions address change order procedures.

What level(s) and amount(s) of change order approval authority exist(s) in your agency?

  Construction Inspector?  
  Project Engineer?  
  Project Manager?  
  City/County Engineer?  
  Public Works Director?  
  Mayor, City Manager or other Chief Executive Officer?.

Does your policy reference a dollar figure or a percentage of the original contract amount?

What level of change order approval authority is required to go to the elected officials for approval?

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.?

The annual Delegation of Authority is by resolution adopted by the Commission on an annual basis.

Please furnish electronic copies of the polices and adoptive language.

Please call or email me if you have any questions or need further information.

John W. Carpita, P.E.  
Public Works Consultant  
Municipal Research and Services Center
John Carpita

From: DBerg@bellevuewa.gov
Sent: Thursday, August 06, 2009 8:08 AM
To: John Carpita
Subject: RE: Change Order Approval Authorization Policies
Attachments: Contracting Policies - Updated January 2009.doc

John, here’s the chapter in our Purchasing Guidelines document that addresses contracts. Section 6.2.2 talks to change orders where the original contract amount is over $35K, which encompasses the bulk of our public works contracts. These policies are endorsed by Council at a formal council meeting. Let me know if you have any questions. -Dave

From: John Carpita [mailto:jcarpita@mrsc.org]
Sent: Tuesday, August 04, 2009 3:01 PM
Subject: Change Order Approval Authorization Policies

Does your agency have written change order authorization policies?

What level(s) and amount(s) of change order approval authority exist(s) in your agency?
   Construction Inspector?
   Project Engineer?
   Project Manager?
   City/County Engineer?
   Public Works Director?
   Mayor, City Manager or other Chief Executive Officer?

Does your policy reference a dollar figure or a percentage of the original contract amount?

What level of change order approval authority is required to go to the elected officials for approval?

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.?

Please furnish electronic copies of the polices and adoptive language.

Please call or email me if you have any questions or need further information.

John W. Carpita, P.E.
Public Works Consultant
Municipal Research and Services Center
2601 Fourth Avenue, Suite 800
Seattle, WA 98121-1280
206-625-1300
Fax: 206-625-1220
jcarpita@mrsc.org
www.mrsc.org
Does your agency have written change order authorization policies?

NO

What level(s) and amount(s) of change order approval authority exist(s) in your agency?

- Construction Inspector? $0
- Project Engineer? $0
- Project Manager? $0
- City/County Engineer? $0
- Public Works Director? $0

Mayor, City Manager or other Chief Executive Officer?: MAYOR APPROVES ALL CHANGE ORDERS UP TO THE BUDGETED AMOUNT (BUDGET = BID AWARD AMOUNT PLUS 10% TO 20% CONTINGENCY (DEPENDING ON RISK AND COMPLEXITY OF PROJECT). COUNCIL APPROVES ALL CHANGE ORDERS OVER BUDGET.

Does your policy reference a dollar figure or a percentage of the original contract amount? N/A

What level of change order approval authority is required to go to the elected officials for approval? SEE ABOVE
John Carpita

From: Barry K. Loveless [bleveless@cityofpoulsbo.com]  
Sent: Monday, August 10, 2009 1:25 PM  
To: John Carpita  
Subject: RE: Change Order Approval Authorization Policies  
Attachments: City of Poulsbo CM Manual.docx

John, We recently established a policy for construction of our City Hall (see attached manual Chapter 4).

Barry Loveless | Public Works Director | City of Poulsbo | Post Office Box 2275 | 780 NE Iverson St. | Poulsbo, WA 98370  
| Ph: 360.779.4078 | Fax: 360.779.6384 | Email: bleveless@cityofpoulsbo.com

---

From: John Carpita [mailto:jcarpita@mrsc.org]  
Sent: Tuesday, August 04, 2009 3:01 PM  
Subject: Change Order Approval Authorization Policies

Does your agency have written change order authorization policies?

What level(s) and amount(s) of change order approval authority exist(s) in your agency?
   - Construction Inspector?  
   - Project Engineer?  
   - Project Manager?  
   - City/County Engineer?  
   - Public Works Director?  
   - Mayor, City Manager or other Chief Executive Officer?  

Does your policy reference a dollar figure or a percentage of the original contract amount?

What level of change order approval authority is required to go to the elected officials for approval?

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.?

Please furnish electronic copies of the polices and adoptive language.

Please call or email me if you have any questions or need further information.

John W. Carpita, P.E.  
Public Works Consultant  
Municipal Research and Services Center  
2601 Fourth Avenue, Suite 800  
Seattle, WA 98121-1280  
206-625-1300  
Fax: 206-625-1220  
jcarpita@mrsc.org  
www.mrsc.org
John - here is our change order policy as it stands currently. I hope this is a help and lays out authorities that we use.

Let me know if you have further questions.

Thanks much,
Carolyn Heniges, PE
Construction Management Section Supervisor
360-835-1758
carolyn.heniges@clark.wa.gov

From: Capell, Peter
Sent: Tuesday, August 04, 2009 5:01 PM
To: Heniges, Carolyn
Subject: FW: Change Order Approval Authorization Policies

Carolyn,

would you please respond to this request.

Thanks,
Pete

From: John Carpita [mailto: ]
Sent: Tuesday, August 04, 2009 3:01 PM
Subject: Change Order Approval Authorization Policies

Does your agency have written change order authorization policies?

What level(s) and amount(s) of change order approval authority exist(s) in your agency?
  - Construction Inspector?
  - Project Engineer?
  - Project Manager?
  - City/County Engineer?
  - Public Works Director?
  - Mayor, City Manager or other Chief Executive Officer?.

Does your policy reference a dollar figure or a percentage of the original contract amount?

What level of change order approval authority is required to go to the elected officials for approval?
HI John - I thought that I should also send you our current change order policy so you could include it in your document compiling all of the responses. Our current ordinance is attached and I’ve inserted responses to the questions below in red. Thanks again for all of your help with this and with all of the other requests that you get !!!

John A. Cunningham, PE
Public Works Director
City of Sammamish
801 - 228th Avenue SE
Sammamish, WA 98075
jcunningham@ci.sammamish.wa.us
425-295-0560 (phone)
425-295-0600 (fax)

From: John Carpita [mailto:jcarpita@mrsc.org]
Sent: Tuesday, August 04, 2009 3:01 PM
Subject: Change Order Approval Authorization Policies

Does your agency have written change order authorization policies? Yes, contained in Council adopted Ordinance O2000-50.

What level(s) and amount(s) of change order approval authority exist(s) in your agency?
Construction Inspector? $0
Project Engineer? $0
Project Manager? $0
City/County Engineer? $0
Public Works Director? $0
Mayor, City Manager or other Chief Executive Officer? City Manager - 10% of original contract amount.

Does your policy reference a dollar figure or a percentage of the original contract amount? Percentage - 10% of original contract amount.

What level of change order approval authority is required to go to the elected officials for approval? Anything above 10% of the original contract amount.

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.? Yes, by Ordinance - Ordinance #O2000-50.

Please furnish electronic copies of the polices and adoptive language. Attached.

Please call or email me if you have any questions or need further information.
John W. Carpita, P.E.
Public Works Consultant
Municipal Research and Services Center
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Seattle, WA 98121-1280
206-625-1300
Fax: 206-625-1220
jcarpita@mrsc.org
www.mrsc.org <http://www.mrsc.org/>
John Carpita

From: Theresa Parsons [Parsont@co.thurston.wa.us]
Sent: Tuesday, August 11, 2009 1:44 PM
To: John Carpita
Subject: Re: Change Order Approval Authorization Policies

John,

Will you be posting the results? We are in the process of updating our policies, taking advantage of the updates from the legislature on bid limits to look at other policies, too.

Thanks
Theresa

Theresa L. Parsons
Assistant County Engineer
(360) 786-5133
2404-A Heritage Court SW
Olympia, WA 98502
parsont@co.thurston.wa.us

>>> John Carpita <jcarpita@mrcs.org> 8/4/2009 3:01 PM >>>
Does your agency have written change order authorization policies?

What level(s) and amount(s) of change order approval authority exist(s) in your agency?
Construction Inspector?
Project Engineer?
Project Manager?
City/County Engineer?
Public Works Director?
Mayor, City Manager or other Chief Executive Officer?

Does your policy reference a dollar figure or a percentage of the original contract amount?

What level of change order approval authority is required to go to the elected officials for approval?

Are any of these change order approval authority policies adopted by the agency's elected officials as either policies, ordinances, resolutions, etc.?

Please furnish electronic copies of the polices and adoptive language.

Please call or email me if you have any questions or need further information.
John W. Carpita, P.E.
Public Works Consultant
Municipal Research and Services Center
2601 Fourth Avenue, Suite 800
Seattle, WA 98121-1280
206-625-1300
Fax: 206-625-1220
jcarpita@mrcs.org
www.mrsc.org<http://www.mrsc.org/>
John,

Here is what we have.

City of Mukilteo Resolution No. 2005-18 establishes the Change Order Authorization Policy as follows:

For Change Orders Within City Council Authorized Budget Appropriations
Upon recommendation of the project/contract manager, and demonstration that a Change Order is necessary and reasonable, the City Administrator is authorized to approve any and all Change Orders that do not exceed the legally authorized budget limit established by the City Council for the applicable project or contract.

For Change Orders in Excess of City Council Authorized Budget Appropriations
Upon recommendation of the project/contract manager, and demonstration that a Change Order is necessary the City Administrator shall submit to the City Council, a Change Order Request to include the amount of requested funds and a written justification describing why the additional funds are necessary and the benefits to be derived.

If the City Council approves the Change Order Request, the City Administrator shall take the necessary actions to enact the Change Order and complete the work in an expeditious manner in accordance with the City Council’s direction.

If the City Council denies the Change Order Request, the City Administrator shall report back to the Mayor and City Council with options as to how to accomplish the project/contract within the funds allocated.

In the event of an emergency or the need to take immediate or expeditious action necessary to protect or maintain the public health, safety, or welfare; or to prevent damage to public or private property, and with approval of the Mayor, the City Administrator is authorized to enact Change Orders in excess of the legally authorized expenditure level. The City Administrator shall timely report such actions to the City Council.

Larry

Larry Waters, P.E.
Public Works Director
City of Mukilteo
11930 Cyrus Way
Mukilteo, WA 98275
425-263-8080
waters@ci.mukilteo.wa.us
Fax 425-212-2068
John Carpita

From: Steve Sperr [Ssperr@cityofpa.us]  
Sent: Thursday, August 13, 2009 8:08 AM  
To: John Carpita  
Cc: Glenn Cutler  
Subject: Re: Change Order Approval Authorization Policies  
Attachments: Change Order authorities in the Port Angeles Municipal Code.doc; 0404 CHANGE ORDERS.doc; 0404_03 Flow Chart.doc

John,  
Attached are three documents:  
1. The Port Angeles Municipal Code citation regarding Change Orders  
2. The Public Works and Utilities Department's Change Order Policy  
3. A change order processing flow chart

There are other relevant documents we have, like an RFI form and a Change Order form, that are referred to in the Policy and can be provided to you as well if you wish. I hope this helps.

****************************************************
Stephen Sperr, P.E.  
Deputy Director of Engineering Services/City Engineer  
City of Port Angeles  
P.O. Box 1150  
321 E. 5th Street  
Port Angeles, WA 98362  
www.cityofpa.us  
phone: 360-417-4803  
fax: 360-417-4709

>>> John Carpita <jcarpita@mrsc.org> 8/4/2009 3:01 PM >>>
Does your agency have written change order authorization policies?

What level(s) and amount(s) of change order approval authority exist(s) in your agency?  
Construction Inspector?  
Project Engineer?  
Project Manager?  
City/County Engineer?  
Public Works Director?  
Mayor, City Manager or other Chief Executive Officer?.

Does your policy reference a dollar figure or a percentage of the original contract amount?

What level of change order approval authority is required to go to the elected officials for approval?

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.?

Please furnish electronic copies of the polices and adoptive language.

Please call or email me if you have any questions or need further information.  
John W. Carpita, P.E.  
Public Works Consultant  
Municipal Research and Services Center  
2601 Fourth Avenue, Suite 800  
Seattle, WA 98121-1280  
206-625-1300
John I hope some of this is helpful. Barb

Does your agency have written change order authorization policies? yes

What level(s) and amount(s) of change order approval authority exist(s) in your agency?
- Construction Inspector? n/a
- Project Engineer? n/a
- Project Manager? n/a
- City/County Engineer? Up to 7,500
- Public Works Director? Up to 7,500
- Mayor, City Manager or other Chief Executive Officer? See below.

NORTH BEND MUNICIPAL CODE
A Codification of the General Ordinances of the City of North Bend, Washington

3.30.010 Purchase of materials, equipment, supplies, or services.
   A. The mayor and city administrator are authorized, without further action by the city council, to purchase or enter into contracts for materials, equipment, supplies, and services, not otherwise subject to other provisions of state law or city code, in amounts up to $7,500.
   B. The mayor and city administrator are authorized, with the consent of all city council finance committee members, to enter into architectural and engineering contracts in amounts over $7,500, and up to $15,000.
   C. The mayor and city administrator are authorized, with the consent of all city council finance committee members, to enter into public works contract change orders for materials, equipment, supplies and services, subject to other provisions of state law and city code, in amounts over $7,500, and up to $15,000.
D. Purchases made or contracts entered into under NBMC 3.30.010(B) and (C) shall be approved by the city council at the next regularly scheduled meeting. (Ord. 1037 § 1, 1998).

Does your policy reference a dollar figure or a percentage of the original contract amount? Dollar figure

What level of change order approval authority is required to go to the elected officials for approval? Over 7,500

Are any of these change order approval authority policies adopted by the agency’s elected officials as either policies, ordinances, resolutions, etc.? Ordinance

Please furnish electronic copies of the polices and adoptive language. See above

Please call or email me if you have any questions or need further information.

John W. Carpita, P.E.
Public Works Consultant
Municipal Research and Services Center
2601 Fourth Avenue, Suite 800
Seattle, WA 98121-1280
206-625-1300
Fax: 206-625-1220
jcarpita@mrsc.org
www.mrsc.org
October 25, 2005

TO: BOARD OF COUNTY COMMISSIONERS

FROM: F. PAUL EASTER, DIRECTOR OF PUBLIC SERVICES

SUBJECT: POLICY FOR THE APPROVAL OF CHANGE ORDERS FOR COUNTY ROAD AND CERTIFICATION ACCEPTANCE (CA) PROGRAMS

The Public Works Department shall prepare and process change orders as required by state and federal regulations on construction contracts.

The designated CA Agreement approving authority for contract administration shall approve all change orders.

Recommended,

F. Paul Easter,
Director of Public Services

ACCEPTED and APPROVED this ___day of _____________________, 2005.

BOARD OF COUNTY COMMISSIONERS
GRAYS HARBOR COUNTY, WASHINGTON

_______________________________
Bob Beerbower, Chairman

_______________________________
Albert A. Carter, Commissioner

_______________________________
Mike Wilson, Commissioner

ATTEST:

_______________________________
Clerk of the Board
5.9 Change Orders
Change orders are to be approved in accordance with the cost thresholds outlined in this section, provided that the changes do not increase the project’s cost in excess of previously approved budget appropriations.

The City Council must approve any change order that increases a project’s cost beyond previously approved budget appropriations.

Contract total remains below $200,000 - Change orders are to be approved by the City Manager.

Contract total moves to $200,000 or more, but the total cumulative amount of change orders is 10% or less - Change orders are to be approved by the City Manager.

Contract total moves to $200,000 or more & the total cumulative amount of change orders is more than 10% - Council must authorize the City Manager to approve the revised contract.
RESOLUTION NO. 1246

A RESOLUTION by the Council of the Town of Friday Harbor authorizing the approval of change orders for construction contracts under certain circumstances and establishing a procedure for Town Council review.

WHEREAS, change orders which are revisions to a construction contract are an integral part of construction contracts that are administered by the Town Administrator; and

WHEREAS, decisions on change orders must often be made immediately to allow the contractor to continue with the work with a minimum of administrative delay; and

WHEREAS, the Town of Friday Harbor desires to establish a formal policy and procedure which would allow the Town Administrator to approve change orders under certain circumstances;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Friday Harbor that Attachment A, titled CHANGE ORDER POLICY, is hereby adopted.

ADOPTED this 4th day of October 2001.

TOWN OF FRIDAY HARBOR

[Signature]
Gary G. Boothman, Mayor

SEAL of the Town of Friday Harbor

ATTEST:

[Signature]
Kelle Wilson, Town Clerk
Town of Friday Harbor

CHANGE ORDER POLICY

1. Change orders result from unforeseen or changed conditions; added or deleted scopes of work; or design errors or omissions. A change order is only appropriate to change a project in a manner consistent with the original bid specifications.

2. Change orders generally must meet all of the following criteria:
   a. The modified job will consist essentially of the same work in the same general location as the original contract.
   b. The project, as ultimately constructed, will be essentially the same as the original project.
   c. The change order will not alter the nature of the project.

3. The Town Administrator may approve and sign construction contract change orders subject to the following four conditions:
   a. The change order does not substantially change the scope of the project.
   b. The total increase or decrease in the contract amount, as a result of the change order, does not exceed fifteen percent (15%) for contracts under $100,000 or ten percent (10%) for contracts over $100,000 of the total costs stated in the original approved contract; provided however that no individual change order shall exceed $25,000.
   c. The total contract amount as adjusted by the change order is within the amount budgeted for the project or the finance officer has approved a budget adjustment.
   d. The approved change order is presented at the next regularly scheduled Council meeting so that the Council is informed of his/her actions.

4. If the change order is unable to meet the conditions as outlined above, the Town Administrator shall submit the change order to the Town Council for approval by the Mayor.
ORDINANCE NO. 2761-04

AN ORDINANCE REPEALING ORDINANCE 977-83 AND ESTABLISHING CHANGE ORDER AUTHORITY IN PUBLIC WORKS PROJECTS

WHEREAS, the City adopted Ordinance 977-83, authorizing the Mayor to execute change orders in construction of public works projects within certain limits;

WHEREAS, financial and industry conditions changed over the last twenty years since adoption of the ordinance; and

WHEREAS, the City wishes to update change order authority to provide for a more efficient process in public works by adopting this ordinance and repealing Ordinance 977-83 in its entirety;

NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:

Section 1. Repeal of Ordinance 977-83

Ordinance 977-83, titled “An Ordinance Authorizing the Mayor to Approve Change Orders on City of Everett Public Works Construction Projects Contracts,” be and hereby is repealed.

Section 2. Definitions

A. “Change Order” means a written amendment or modification of a contract for the construction of a Public Work, including, but not limited to, contracts for construction of a Public Work using alternative public works processes authorized by state law, such as RCW Chap. 39.10.

B. “Public Work” has the same meaning as defined in the Revised Code of Washington 39.04.010 or its successor.

C. “Small Works” has the same meaning as defined in the Revised Code of Washington 39.04.155 or its successor.

Section 3. Purpose

The purpose of this Ordinance is to authorize the Mayor or the Mayor’s designee to direct contractors to perform additional work that does not materially change the intended scope of the project and to execute Change Orders in Public Work projects under certain circumstances without prior express Council approval. Council retains the right to direct additional work or to authorize execution of a specific Change Order, even if this Ordinance does not require prior express Council approval.
Section 4. Public Work Under Five Hundred Thousand Dollars

The Mayor or the Mayor’s designee is authorized to direct contractors to perform additional work and to sign Change Orders on a Public Work project where the original contract value is under five hundred thousand dollars to the extent the sum of the Change Orders do not exceed twenty percent of the original contract value.

Section 5. Public Work At Least Five Hundred Thousand Dollars and Less Than One Million Dollars

The Mayor or the Mayor’s designee is authorized to direct contractors to perform additional work and to sign Change Orders on a Public Work project where the original contract value is at least five hundred thousand dollars and less than one million dollars to the extent the sum of the Change Orders do not exceed an amount equal to one hundred thousand dollars plus fifteen percent of the original contract value that exceeds five hundred thousand dollars.

Section 6. Public Work At Least One Million Dollars and Less Than Five Million Dollars

The Mayor or the Mayor’s designee is authorized to direct contractors to perform additional work and to sign Change Orders on a Public Work project where the original contract value of at least one million dollars and less than five million dollars to the extent the sum of the Change Orders do not exceed an amount equal to one hundred seventy-five thousand dollars plus ten percent of the original contract value that exceeds one million dollars.

Section 7. Public Work of At Least Five Million Dollars

City Council may by resolution authorize the Mayor or the Mayor’s designee to direct the contractor to perform additional work and to execute Change Orders for a Public Work project whose original contract value is at least five million dollars.

Section 8. Time Extensions

The Mayor or the Mayor’s designee may extend contract time up to twenty working days or thirty calendar days without prior Council approval, irrespective of the original contract value of the Public Work.

Section 9. Exceptions

A. Before or during the course of a particular Public Work, Council may by resolution authorize different or additional limits for Change Orders or withdraw the authority granted by this Ordinance.

B. This Ordinance does not apply to Small Works.

Section 10. Review

City Council may review this ordinance one year after the effective date of this ordinance.

AN ORDINANCE REPEALING ORDINANCE 977-83 AND ESTABLISHING CHANGE ORDER AUTHORITY IN PUBLIC WORKS PROJECTS

Page 2 of 3
Section 11. Corrections

The City Clerk and the codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener’s and clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 12. Severability

The City Council hereby declares that should any section, paragraph, sentence, clause or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it would have passed all portions of this ordinance independent of the elimination herefrom of any such portion as may be declared invalid.

_______________________________
Ray Stephanson, Mayor

ATTEST:

_______________________________
City Clerk

Passed: March 24, 2004

Valid: ______________________

Published: ___________________

Effective: ____________________

[SUGGESTION TO CODE REVISER: Sections 2 through 9 should be codified as a new section of the Everett Municipal Code]
CONTRACT CHANGE ORDERS

Alterations and changes to the scope of work of a contract may be necessary or advisable for the proper completion of the work. Any such changes will be set forth in a contract change order which will specify, in addition to the work done in connection with the change, adjustments of contract time, if any, and the basis of compensation for such work. A contract change order will not become effective until approved by the authorized City official as set forth below.

Change orders for an amount equal to or less than Five Thousand Dollars ($5,000) may be approved by department staff designated in writing by the Department Head (e.g., for the Public Works Department - the City Engineer).

Department Heads may approve change orders, which when accumulated with prior change orders approved by the Department Head or department staff, total an amount equal to or less than Twenty Thousand Dollars ($20,000) plus ten percent (10%) of the initial contract price over One Hundred Thousand Dollars ($100,000), up to a maximum of $200,000.

Change orders which individually or when accumulated with prior change orders approved by the Department Head or department staff, exceed Twenty Thousand Dollars ($20,000) plus ten percent (10%) of the initial contract price over One Hundred Thousand Dollars ($100,000), require City Manager approval. Individual change orders exceeding $200,000 require City Manager approval. The dollar amounts of change orders approved by the City Manager, plus the dollar amounts of any change orders which pre-date such change order approval by the City Manager, shall not be counted in computing the accumulated change order amount subject to the limit set forth above for the Department Head or department staff to approve change orders hereunder.

In emergency situations, the Department Head may issue a change order beyond the authority limits described above in order to:

(a) prevent interruption of the work which would result in a substantial increase in the cost to, or liability of, the City; or

(b) protect the work, equipment, material to be used in the work, human safety, or the environment at or near the work from substantial and immediate danger or injury; or

(c) protect, where damage or injury has occurred, work, equipment or materials to be used in the work, human safety, or the environment at or near the site of the work from further or additional damage or injury or deterioration.
The Department Head shall have the authority to issue change orders in such sums as is reasonably necessary for such emergency purposes. After issuing a change order in an emergency situation described above, the Department Head shall report such action and the reasons therefor to the City Manager in writing as soon thereafter as is practical.
The City of Vancouver, Washington often contracts with private construction companies for the purposes of the capital improvement of public facilities throughout the City limits and within the water and sewer service boundaries. During the course of any particular project, it may become necessary to make changes to the original design that would change the scope of work. These changes would either add to or subtract from the payments due to the contractor that were anticipated in the original contract. These changes to the contract can be generally referred to as “contract change orders”.

**Definitions:** The titles outlined below follow the signature lines on our standard change order form. **Program Manager** is the person with signature authority over the program in question (Don Skaggs, Tom Boyer, Annette Griffy, Hassan Abdalla, etc). **Construction Project Manager** is Steve Lee, Charles Fell, Eric Schadler or Dan Swensen. **Project Designer** and **Project Inspector** are self-explanatory.

**Public Works Change Order Signature Authority**

Within the Public Works Department, there are two groups that regularly have the opportunity to administrate contracts for public improvements; Construction Services, and Operations. These groups also have a regular opportunity to create, negotiate, and execute contract change orders.

What follows outlines the level of signature authority that is delegated to each relevant position within PW.

For contract change orders with a dollar value of **LESS THAN $50,000**, the change order shall bear at least the signature of the Contractor, the Construction Project Manager, and the Program Manager. Signatures of the Project Inspector and Design Engineer are desirable.

For contract change orders with a dollar value of **LESS THAN $100,000 BUT GREATER THAN $50,000**, the change order shall bear at least the signature of the Contractor, the Construction Services Manager or Operations Manager, and the Program Manager. Signatures of the Project Inspector and Design Engineer are desirable.

For contract change orders with a dollar value **IN EXCESS OF $100,000**, the change order shall bear at least the signature of the Contractor, the Director of Public Works and
the Program Manager. Signatures of the Project Inspector and Design Engineer are desirable.

The Construction Project Manager shall recognize the need to notify the Director and the City Manager when ever a single change order or aggregate change orders exceed either $100,000 or 10% of any project.

Public Works and Transportation Contract Change Order Procedures

Within the Public Works Dept., the following shall be standard practice regarding the creation, negotiation, and execution of contract change orders.

It is recognized that there should always be an attempt to contact the Design Engineer before any decision is made to implement a contract change order regardless of dollar value.

The Design Engineer and Program Manager have valuable insight into the design intent and conditions as well as budget limitations that may affect any decision made to change the contract. This notwithstanding, there are times when stopping work or slowing work down to confer with the Designer may not be in the best economic or progressive interests of the project or the City. Rather than try to describe situations in which conference with the designer is appropriate, the following is a guide to help align expectations between Construction Project Managers and Project Designer/Program Manager.

With most change orders especially those dealing with unanticipated and changed conditions, time is of the essence. Timely action on the part of the City goes a long way towards minimizing the delay impacts of the change. With this in mind, it is incumbent upon construction management staff to convey the urgency of required decisions or actions to design staff. It is also incumbent on design staff to respond with as little delay as is practical.

Contract Change Orders estimated at less than $10,000

If needed to keep the project moving, these changes may be made without prior discussions with the Project Designer or Program Manager. Project Designer or Program Manager shall be informed of the change at the first available opportunity.

Contract Change Orders estimated at greater than $10,000 but less than $25,000

An effort shall be made to contact and confer with the Designer or Program Manager before any changed work begins. If neither is available and it would cause economic or schedule harm to the project, the work may be allowed to progress by the Construction
Project Manager. Otherwise the project, or that portion to which the change order relates, will be temporarily shut down until proper conference with the Designer or Program Manager can be conducted.

**Contract Change Orders estimated at greater than $25,000**

Except in the event of a Life/Safety issue, work shall not continue on a changed portion of the contract until the change is approved by the Design Engineer or Program Manager.
The City of Vancouver, Washington often contracts with private construction companies for the purposes of the capital improvement of public facilities throughout the City limits and within the water and sewer service boundaries. During the course of any particular project, it may become necessary to make changes to the original design that would either add to or subtract from the payments due to the contractor that were anticipated in the original contract. These changes to the contract can be generally referred to as “contract change orders”

Whereas it often becomes necessary to execute a contract change order due to some changed contract condition, or the addition to or subtraction from the original contract work and,

Whereas it is recognized that it is most efficient and less costly to have contract change orders negotiated and approved at the lowest, most practical level within the organization,

The following delegation of signature authority is granted.

The Mayor of the City of Vancouver Washington delegates the authority to approve contract change orders to the City Manager, conditioned on following the approved change order procedures maintained by Public Works.

Royce Pollard Mayor Date

The City Manager of the City of Vancouver delegates the authority to approve contract change orders to the Director of Public Works, conditioned on following the approved change order procedures maintained by Public Works.

Pat McDonnell City Manager Date
The Director of Public Works of the City of Vancouver delegates the authority to approve contract change orders to the individual project managers, conditioned on following the approved change order procedures maintained by Public Works.

Brian Carlson     Director of Public Works     Date
<table>
<thead>
<tr>
<th>Contracts, Materials &amp; Equipment</th>
<th>Contracts, Materials &amp; Equipment</th>
<th>Contracts, Materials &amp; Equipment</th>
<th>Professional Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approval of bid documents; requests for proposals</td>
<td>Under directive from Executive Director, if a public works project, Project Manager and/or Port Engineer develops specifications and Port Engineer approves final bid package or RFP; if a service contract or materials, Procurement &amp; Contracts Administrator.</td>
<td>Under directive from Executive Director, if a public works project, Project Manager and/or Port Engineer develops specifications and Port Engineer approves final bid package or RFP; if a service contract or materials, Procurement &amp; Contracts Administrator or Authorized Agent.</td>
<td>Under directive from Executive Director, if a public works project, Project Manager develops specifications; if a service contract or materials, Procurement &amp; Contracts Administrator or Authorized Agent.</td>
</tr>
<tr>
<td>Recommendation to Commission</td>
<td>Executive Director</td>
<td>Not required</td>
<td>Not required</td>
</tr>
<tr>
<td>Authority to make purchase or enter into service contract</td>
<td>As delegated by Executive Director: Project Manager; may sign PO and contracts</td>
<td>As delegated by Executive Director: Project Manager; may sign PO and contracts</td>
<td>As delegated by Executive Director: Project Manager; may sign PO and contracts</td>
</tr>
<tr>
<td>POE Commission project approval before execution</td>
<td>1) Approve Engineering 2) Approve bid solicitation 3) Approve acceptance of bid</td>
<td>If under $100,000 total contract, approved by Executive Director; if over $100,000 total contract, approved by Commission.</td>
<td>As delegated by Executive Director: Project Manager, Procurement &amp; Contracts Administrator or Authorized Agent</td>
</tr>
<tr>
<td>Change orders and contract modifications</td>
<td>All change orders and contract amendments; Executive Director approves change orders &lt;10% of Commission-approved contract budget; Commission approves &gt;10%.</td>
<td>Three written quotes, kept on file with PO copies or project file; Small Works Roster process to be used for public works projects.</td>
<td>Three verbal quotes, recorded and attached to PO; Small Works Roster process to be used for public works projects.</td>
</tr>
<tr>
<td>Bid process</td>
<td>Two advertisements, a week apart, bids will be opened a minimum of 13 days after last advertisement, contract will be awarded to lowest responsible and responsive bidder. ROW 53.08.120</td>
<td>Use Small Works Roster process; Solicit bids from all appropriate contractors; as an alternative, may solicit a minimum of five bids from small works roster; contract will be awarded to lowest responsible and responsive bidder. ROW 53.08.120</td>
<td>Three written quotes, kept on file with PO copies or project file; Small Works Roster process to be used for public works projects.</td>
</tr>
<tr>
<td>Payment only after contract performed (PW contracts also must have an approved “Intent to Pay Prevailing Wages”) or materials and equipment received</td>
<td>YES ROW 42.24.080 Monthly Progress payments per individual contract OK; final payment only after final release and closure of contract by Commission; retainage paid after receipt of certified Affidavit of Wages Paid and releases from DOR and L&amp;I. (ROW 60.28 &amp; 51.12)</td>
<td>YES ROW 42.24.080 Monthly Progress payments per individual contract OK; final payment only after acceptance of work by Project Manager and retainage paid after receipt of certified Affidavit of Wages Paid and releases from DOR and L&amp;I. (ROW 60.28 &amp; 51.12)</td>
<td>YES ROW 42.24.080</td>
</tr>
</tbody>
</table>

**NOTE:** Operating Budget account 70091 Minor Capital Expenditures is used for capital $1,000 or more and up to $10,000 without an identified CIP. Capital purchases over $10,000 must have a CIP budget/account.
sought prior to the award. Port Commission approval shall be required for the rejection of all bids.

4. When an emergency shall require the immediate execution of a contract for work, the Executive Director, pursuant to the procedures of RCW 39.04.020 (as it is now or may be amended), is authorized to make a finding of existence of such emergency and execute any contracts necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Port Commission meeting following the Executive Director’s findings of existence of an emergency, request Port Commission ratification of the finding of emergency and any contracts awarded and/or executed pursuant to that finding.

B. Change Orders.

Where contracts for the performance of work exceeding One Hundred Thousand Dollars ($100,000) have been awarded and under which the work is in progress, and individual changes in plans and/or specifications are necessitated in order to properly accomplish the work, the Executive Director is authorized to execute individual change orders to the contract provided the following conditions are met:

1. The estimated cost of the individual changes in plans and/or specifications will not exceed Ten Percent (10%) or the amount previously approved by the Commission in the budget.
2. The contract provides for issuance of change orders.
3. The individual change order has been approved and certified by the Port’s Engineer or Project Manager supervising the contract as being necessary to the proper accomplishment of the work called for in the basic contract.
4. Any time extension for completion of said contract which accompanies said change order does not exceed forty-five (45) days, except a change order extending the contract determined time beyond forty-five (45) days where it is to be a result of fire and/or other causalities not the fault of the contractor; strikes, riots, and other civil disorders; unsuitable weather, or other acts which result in suspension of work by order of the Port’s Engineer or Project Manager supervising the contract.

C. Reports

Notwithstanding the authority granted in the preceding sections A and B, the Executive Director shall keep the Commission advised of all contracts.
CITY OF BELLEVUE

CONTRACTING POLICY

Effective January 15, 2009

Section 1 – Guiding Principles

The following Guiding Principles were endorsed by the Bellevue City Council on October 14, 2002:

The process of selecting and managing contracts should be subject to the highest ethical standards and embody the value of stewardship of the public’s resources by ensuring that contracts provide the greatest attainable levels of both quality and value.

Section 2 – Authority

“The city manager or his/her designee may promulgate procedures for the approval of all other contracts not otherwise covered by this chapter (4.28 B.C.C.) These contracts shall include, but shall not be limited to: nonprofessional service contracts, maintenance agreements and contracts, instructor contracts, entertainment contracts and any other personal service contract. “ 4.28.230 Bellevue City Code.

Section 3 – Exceptions

Exceptions to this policy must be approved in writing by the Finance Director (or designee). Exceptions to these policies should make good business sense and be in the best interest of the city. Reasons for exceptions might include (but are not limited to): sole source provider, existence of an emergency, unique knowledge and/or qualification of the vendor.

Exceptions from the bidding requirements for public work are governed by chapters 39.04, 39.28 and 35.22 RCW.
Section 4 – Selection Process

When selecting service providers or vendors, a competitive process should still be used as prescribed by the table below.

<table>
<thead>
<tr>
<th>Type of Contract</th>
<th>Estimated value up to $5,000</th>
<th>Estimated value $5,001 - $35,000</th>
<th>Estimated value $35,001 - $200,000</th>
<th>Estimated value greater than $200,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architect or Engineering Services</td>
<td>Competitive process is not required.¹</td>
<td>Review at least three Statement of Qualifications (SOQ’s) from the A&amp;E roster</td>
<td>Review at least five SOQ’s from the A&amp;E roster</td>
<td>1. Review at least five SOQ’s from the A&amp;E roster, or 2. Public notice of RFQ</td>
</tr>
<tr>
<td>Professional Consulting Services</td>
<td>Competitive process is not required.¹</td>
<td>Solicit proposals from at least three firms from the Professional Services Roster²</td>
<td>Solicit proposals from at least five firms from the Professional Services Roster³</td>
<td>Public notice of RFP/RFQ is required</td>
</tr>
<tr>
<td>Maintenance &amp; Non-Professional Services</td>
<td>Competitive process is not required.¹</td>
<td>Solicit proposals from at least three firms from the General Services Roster²</td>
<td>Solicit proposals from at least five firms from the General Services Roster³</td>
<td>Public notice of RFP is required</td>
</tr>
<tr>
<td>Public Works</td>
<td>Competitive process is not required.¹</td>
<td>Solicit quotes from at least three vendors from the Small Works Roster²</td>
<td>Solicit sealed bids from at least five firms from the Small Works Roster³</td>
<td>Public notice and call for sealed bids is required</td>
</tr>
<tr>
<td>Material, Supplies &amp; Equipment</td>
<td>Competitive process is not required.¹</td>
<td>Solicit quotes from at least three qualified suppliers</td>
<td>Public notice and call for sealed bids is required</td>
<td>Public notice and call for sealed bids is required</td>
</tr>
</tbody>
</table>

4.1 Basis for Exceptions to the Selection Process

4.1.1 Cooperative Purchasing Agreements - Pursuant to BCC 4.28.030, the purchasing manager is authorized to enter into cooperative purchasing agreements with other public entities. Purchases made using cooperative purchasing agreements are exempt from the formal bid requirement listed above.

4.1.2 Sole Source Purchases - Items available only from a “sole source” as determined by the finance department and approved by the City Attorney are exempt from the formal bid requirement listed above.

4.1.3 Unique Knowledge and/or Qualification - When the contractor has unique knowledge or qualifications that can only be provided by this particular contractor, provided the circumstances are sufficiently documented and described.

¹ It is still incumbent on the department to ensure that price is reasonable and the provider qualified.
² Telephone, FAX, e-mail and/or written submittals are acceptable.
³ Proposals should be submitted in writing.
⁴ It is still incumbent on the department to ensure that price is reasonable and the provider qualified.
⁵ Consult with Contracting Services for specific details/process to be used.

C:\Users\jwc\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.Outlook\29LDWI0N\Contracting Policies - Updated January 2009 (2).doc  ES  8/17/2009
4.1.4 **Emergency Purchases:** For purposes of this section "emergency" means unforeseen circumstances beyond the control of the city that either: (a) present a real, immediate threat to the proper performance of essential functions; or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken.

**Materials, Supplies, Equipment -** If an emergency exists, the City Manager (or designee) may make or authorize others to make emergency procurements of materials, supplies, or equipment, without complying with the requirements of this policy; provided, that such emergency procurements shall be made with such competition as is practicable under the circumstances. See Ch. 4.28.090 of the Bellevue City Code for documentation and reporting requirements.

**Public Works -** If an emergency exists, the City Manager (or designee) may declare an emergency situation exists, waive competitive bidding requirements, and award or direct others to award all necessary contracts on behalf of the city to address the emergency situation. If a contract is awarded without competitive bidding due to an emergency, a written finding of the existence of an emergency must be reported to the City Council at the next subsequent meeting following the award of the contract.
### Section 5 – Contracts

#### 5.1 Duration

- Professional Services, Maintenance & Non-Professional Service contracts may have a duration of any combination of years but shall not exceed four years without approval as an exception.
- Public Works and A&E Service contracts cover the duration of the project and should include estimated time-frames and milestones.

#### 5.2 Basis for exceptions of contract duration

The city may choose to issue a longer term contract if:
- it will achieve significant cost savings with a longer contract,
- the contractor is required to invest in major capital equipment and a longer time-frame to support the purchase would benefit the City in terms of lower costs, or
- benefits of a shorter contract are outweighed by the costs of a competitive process.

#### 5.3 Contract Approval

The following table outlines authorization limits for many types of contracts. In the event that a particular contract type or situation is not covered by this policy, the Finance Director (or designee) will determine the appropriate approval authority.

<table>
<thead>
<tr>
<th>Contract type</th>
<th>Contract value</th>
<th>Who approves</th>
</tr>
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<td>Professional Services</td>
<td>• $50,000 or less</td>
<td>• Department Director (or designee)</td>
</tr>
<tr>
<td></td>
<td>• Over $50,000</td>
<td>• Department Director (or designee) following Council award</td>
</tr>
<tr>
<td>Maintenance, Non-Professional and Human Services</td>
<td>• $50,000 or less</td>
<td>• Department Director (or designee)</td>
</tr>
<tr>
<td></td>
<td>• Over $50,000</td>
<td>• Department Director (or designee) following Council award</td>
</tr>
<tr>
<td>Hardware/Software Annual Maintenance</td>
<td>• All</td>
<td>• Department Director (or designee)</td>
</tr>
<tr>
<td>Small Public Work</td>
<td>• $20,000 or less for single craft/trade work</td>
<td>• Department Director (or designee)</td>
</tr>
<tr>
<td></td>
<td>• $35,000 or less for multiple trade/craft work</td>
<td>• Department Director (or designee)</td>
</tr>
<tr>
<td>Public Works formally bid</td>
<td>• Over $20,000 for single craft/trade work, or for street lighting or traffic signals</td>
<td>• Department Director (or designee) following Council award of bid</td>
</tr>
<tr>
<td></td>
<td>• Over $35,000 for multiple trade/craft work</td>
<td>• Department Director (or designee) following Council award of bid</td>
</tr>
<tr>
<td>Material, Supplies or Equipment</td>
<td>• $35,000 or less</td>
<td>• Department Director (or designee)</td>
</tr>
<tr>
<td></td>
<td>• Over $35,000</td>
<td>• Department Director (or designee), following Council award of bid</td>
</tr>
</tbody>
</table>
Section 6 – Modifications to Contracts

6.1 Amendments

- Amendments to contracts or service agreements must be approved by the Department Director (or designee) until contract value exceeds $50,000.
- A Department Director (or designee) is authorized to approve amendments the accumulated value of which is up to 10% of the original contract award amount.
- The City Council must authorize the Department Director (or designee) to approve amendments when the accumulated value is greater than 10% of the original contract award amount. Such authorization establishes a new contract amount against which the above percentages apply for subsequent amendments.

6.2 Change Orders

6.2.1 Public Work Contracts and Purchase Agreements up to $35,000:

- A Department Director (or designee) is authorized to approve change orders until the new total contract value meets or exceeds the total value of $35,000 for multiple trade or $20,000 for a single trade work.

6.2.2 Public Work Contracts and Purchase Agreements over $35,000:

- A Department Director (or designee) is authorized to approve change orders the accumulated value of which is up to 10% of the original contract award amount.
- The City Council must authorize the Department Director (or designee) to approve change orders when the accumulated value is greater than 10% of the original contract award amount. Such authorization establishes a new contract amount against which the above percentages apply for subsequent change orders.
- Approval of accumulated line item over-runs are subject to the same percentages indicated above.
# City of Poulsbo
## CITY HALL
### PROJECT ADMINISTRATION MANUAL

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FIGURES
1. Owner Consultant Process
2. Submittal Process
3. Invoice Process
4. Contractor Change Order Process
5. Owner Requested Change Order process
6. Contractor Request for Information (RFI) Process

APPROVED by the Poulsbo City Council this 13th day of May, 2009.

CITY OF POULSBO

___________________________
MAYOR KATHRYN H. QUADE

ATTEST/AUTHENTICATED:

_______________________________
JILL A. BOLTZ, CMC, CITY CLERK

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
1.00 ADMINISTRATION

1.01 City Hall Construction Management Method

General
These procedures outline the construction management policies and procedures of the City of Poulsbo. The Architect, as part of his/her professional services contract, will provide the technical direction for the project construction, and assist in the administration of the project.

Project Team
The Project Team will consist of the Mayor (Chair), Public Works Director, Owner’s Representative, City Engineer, Finance Director, Planning Director, and two members of City Council. Other City staff may be included as required.

Owner’s Representative
The Owner’s Representative is the City’s on-site assistant, and provides on-site coordination and communication.

Architect
During the pre-construction phases, the Project Team works with the Architect to design and provide construction documents for the construction of the project. From commencement of the bidding phase through the completion of construction, the Owner’s Representative assumes a leadership role for the construction phase. During the construction phase the Architect makes technical decisions regarding the work, and Owner’s Representative performs the overall construction administration. The Architect approves or recommends approval of all required tests, materials, equipment, schedules, substitutions of materials, colors, textures, adequacy of work, payments, change orders to the contract, time extensions and final acceptance of the project.

1.02 Project Team

Duties of the Project Team
The Project Team is responsible to the City Council for: completion of the City Hall project within the scope and budget approved by the Council; provide oversight to the Public Work Director, Owner’s Representative and Architect in their roles in the construction of the project; ensure communication of project status and approvals as required from the City Council and/or committees. The Project Team will make decisions based upon the consensus of the elected members. Should consensus not be achievable, the issue will be brought before the full Council for their review and decision.

Limits of Authority
The Project Team, under the Mayor’s signature, will have the authority to enter into contracts or agreements or to make changes to any of the contracts or agreements up to $25,000 that are in-scope of the current project design. Any proposed out-of-scope changes will be reviewed by the Project Team and concurrence obtained from the City Council before giving approval to proceed with the changes to the Owner’s Representative. The Project Team will closely monitor budget status and promptly notify City Council should current projections exceed approved budget. It is anticipated that the construction contract will be awarded at an amount less than the budgeted amount, and that a 10% contract contingency will be authorized for management of the project similar to other City construction projects. Should the Project Team determine that the 10% contract contingency is likely to be exceeded; a project budget amendment will be presented to the Finance Committee and approved by the Council in accordance with normal City procedures. Should the Project Team determine that budget amendments are required to complete the project that will exceed the approved project budget, approval will be required from the City Council, after review by the Finance Committee.
1.03 Owner’s Representative

Duties of the Owner’s Representative
Provide on-site construction administration and inspection; coordinate any construction inspectors assigned; and provide coordination and communication between the City, the Project Team, the contractor, the Architect, and any additional City consultants. The Owner’s Representative shall provide documentation and prepare reports.

Limits of Authority
The Owner’s Representative shall NOT have the authority to enter into contracts or agreements or to make changes to any of the contracts or agreements on behalf of the City in excess of $5,000. Such authority is reserved for the Project Team up to $25,000, and requires the specific approval of the City Council for over $25,000. The Owner’s Representative may approve minor changes up to $5,000 that are in-scope of the current project design. Any out-of-scope changes must be brought to the Project Team for review. The Owner’s Representative shall have signature authority for correspondence in administering the project with the general contractor, the Architect, the City, and the testing laboratories.

Construction Administration
a. Review all contract documents and ensure all appropriate City procedures are used. Recommend revisions or new procedures as necessary.

b. Monitor overall budget and schedule, and advise the Project Team of any trends that affect the timely procedures and cost effective completion of the project.

c. Attend weekly and special construction meetings to evaluate and control progress, quality, budget, and other items for which action may be needed.

d. Review and coordinate all services provided by testing and inspection firms for compliance with service agreement requirements. Review and approve all invoices submitted by these testing and inspection firms and then submit recommendations to the Project Team for final approval. Review and initial the daily diary of the construction inspector. See Figure (1) for process flow.

e. Monitor Architect submittal log to assure all submittals are approved in a timely manner (this includes resubmittals). Request Architect to distribute a final submittal log which demonstrates acceptance of all submittals. See Figure (2) for process flow.

f. Check the contractor’s estimate of work completed for partial payments based on the approved cost breakdown. See Figure (3) for process flow.

g. Monitor progress schedule to reflect work completed vs. actual time.

h. Evaluate and make recommendations to the Project Team regarding proposed contract changes and resolution of all claims. As directed by the Project Team, participate in or conduct negotiations to resolve claims or disputes. See Figures (4) and (5) for process flows.

i. Maintain a change order log that includes a cumulative total of changes to the contract, and reconcile change order costs with contractor payment requests.

j. Coordinate final acceptance, inspection, and scheduling of occupancy.

k. Monitor completion and turnover of operation and maintenance data and record drawings. Monitor required operating tests and training required by contract. Execute the Certification of Completion form. Complete and transmit the Project Closeout Checklist to the Project Team.

m. Coordinate additional City consultants.

n. Coordinate and manage contract for purchase and installation of Furniture, Fixtures and Equipment if separate from Architect subcontract.

Inspection
a. Be familiar with the plans and specifications and the general contractor’s operations at all times.
b. Personally observe, check and measure items placed in the construction for compliance to the contract documents, technical instructions from the Architect and directives from the Project Team.

c. Supervise and/or perform on-site testing and ensure that all required tests are performed by the testing laboratory, the contractor or the Architect as specified in the contract documents. Check and report all failed tests to the Architect, the contractor, and the Project Team and request instructions as to further procedure. Check billings from the testing laboratories to see that billings reflect only tests actually performed and requested, and that unit rates match personnel used and tests performed.

d. Prevent installation of any related work until shop drawings have received final approval from Architect.

e. Inspect all materials immediately upon their delivery to the site to ensure that they comply with the specifications and approved submittals and shop drawings, and are in good condition, new, undamaged, etc. Mark, segregate, and remove condemned materials.

f. Receive samples which are required to be furnished at the job site; record date received and from whom, notify Architect of their readiness for examination, record Architect's approval or rejection; and maintain custody of approved samples.

g. Record the Architect’s or their consultant’s verbal instructions during field supervision trips, in the construction inspector’s daily diary for that day or on a field instruction report. Should there be any question as to the consultant’s instruction, he shall consult the Architect whose decision shall govern.

h. Assist in relaying instructions from the Project Team and the Architect to the contractor and in relaying problems from the contractor to the Architect and the Project Team for solution. Actively assist in securing decisions and clarification from the Architect in a timely manner. See Figure (6) for process flow.

i. Review the contractor’s work on the required record drawings weekly to ensure that they are accurately marked up as required. Report any non-compliance at project meetings.

j. Assist the Architect in the final inspection and project acceptance phase.

k. Upon completion of the project, review with the Architect any and all warranties, keying, operating instruction, completion of final punch list items, etc., that are called for in the project documents. Confirm that these are received before certifying the completion of the work in writing.

l. Execute the Certification of Completion form, at completion of construction, that the project was constructed in accordance to the project documents.

m. Complete and transmit the Project Closeout Checklist to the Project Team.

n. Report to the Project Team poor performance or any acts prejudicial to the City’s interests. This report shall be in writing whenever such conditions may come to Owner’s Representative’s attention.

**Documentation**

a. Develop procedures to initiate and maintain document files.

b. Maintain daily diary describing general events, noting problems and unusual events, decisions and directions given to the contractor by the Architect, the Project Team, or the Owner’s Representative. The diary should be completed daily, and factually. The diary should reflect the contractor’s activities each day, and include weather conditions, personnel working, and significant pieces of equipment on site. The diary shall be signed in ink below the last entry; if the diary is electronic in form, print out each day’s diary, sign in ink below last entry, and maintain signed copy in a file. Fill out and transmit to the Project Team a report of injury whenever there is an accident.

c. Submit weekly and monthly written reports to the Project Team and the Architect to reflect new and unresolved issues, schedule, quality control, submittal review, budget control including contingency balance, and any other pertinent issues. Project progress reports shall reflect completed work versus contract time.
Additional Duties
a. Manage the Architect contract. Process requests for payment, verify completion of required contract tasks, and negotiate any proposals for additional fees due to changes in the contract work. Any increases to the scope of the Architect contract must be reviewed and approved by the Project Team.
b. The Owner’s Representative may assume other responsibilities as directed by the Project Team and as approved by the Mayor. The Public Works Director or City Engineer may be required to assume the duties of the Owner’s Representative in his/her absence.

1.04 Construction Inspector

Any construction inspector assigned to the project will be administratively supervised by the Owner’s Representative. The construction inspector may perform some of the duties assigned above to the Owner’s Representative as directed by the Owner’s Representative.

Limits of Authority
The construction inspector shall NOT have the authority to enter into contracts or agreements or to make changes to any of the contracts or agreements on behalf of the City.

Restrictions on the Construction Inspector’s Authority
a. Shall rely on the Architect for technical interpretations of the contract documents. This includes approval of shop drawings and samples.
b. Shall not authorize deviations from the project documents.
c. Shall not avoid conducting any tests required.
d. Shall not interfere with the responsibilities of the contractor and its field staff.
e. Shall not advise on, or issue directions relative to any aspect of the building technique or sequence unless a specific technique or sequence is called for in the specifications.

Duties of the Construction Inspector
a. Maintain an effective working relationship with the contractor, the Architect, and the Owner’s Representative, so as to safeguard the interest of the City;
b. Be tactful, firm, and fair in his/her insistence to the adherence of the intent of the contract documents;
c. Review and inspect work and materials in a timely manner so as to avoid, as much as possible, disruption to the schedule or work already in place;
d. Rely on the Architect to solve technical problems that arise during construction;
e. Exert extreme care that verbal and written communications to the contractor cannot be misinterpreted as changes in the scope of the work, or a change in the contract amount, unless the communication has the written approval of the Owner’s Representative.

2.00 PREBID, BID, AND AWARD PHASE

2.01 Prebid Meeting
Shortly before advertising is to begin (when the construction documents are in plan check), the Owner’s Representative will notify the Project Team and the Architect of the prebid meeting. The Owner’s Representative reviews the following with the Architect: chairing project meetings and producing minutes, response times to shop drawings and requests for information, any special requirements, Division One requirements and language. See Prebid Meeting Agenda.

2.02 Prebid Meeting Agenda
a. Review the special requirements of the City, such as phasing, traffic control, parking, staging areas, deadlines, equipment installations, occupancy, and temporary utilities from utility company, etc.
(project should pay its own way for temporary utilities), and have Architect incorporate them into the
Division One specifications.

1) Phasing: review phasing requirements in detail.
2) Schedule: review any milestones and deadlines.
3) Utilities
   (a) Shutdowns: discuss length of notice required and any special times (i.e. weekends only, etc.)
   (b) Chargebacks: discuss whether contractor is to be billed or if contingency is to cover costs, etc.
4) Determine any City-supplied equipment.
5) Contractor parking, staging area and haul routes and any restrictions.

b. Review the contract time of performance and liquidated damages for contract overrun.
c. Discuss the alternatives, allowances and/or unit price policies. Determine if any are to be included, and
how covered in Division One and on bid proposal form.
d. Plan the coordination of the project construction with other developments underway or proposed during
the construction phase of the subject project.
e. Set the bidding date and the amount of the plan deposit, and decide where bidders may secure plans
or review them.
f. Discuss the issuance of addenda.
g. Explain the procedures and responsibilities for conduct of the project bidding and award of contract.
h. Outline the testing procedures and explain construction inspection services.
i. Discuss other items pertinent to this project, for example, all City-required restrictions shall be discussed
and incorporated, if in the best interest of the City.

2.03 General Make-up of Bidding Documents
Bidding documents consist of the project plans and specifications, both generated and prepared by the
Architect. It is preferred that technical specifications are printed on 8-1/2 x 11-inch sheets bound on the
left side into book format. Printing on both sides of each sheet is preferred in order to make a thinner
volume. The City does have standard contract general conditions and other legal requirements that must
be included in the bidding documents. A copy of these documents is furnished by the Owner’s
Representative to the Architect for reproduction and inclusion in the specification book. The following
material must be bound into the volume containing the specifications:

a. Cover and title page, prepared by the Architect
b. A general index of the volume, prepared by the Architect
c. Contract general conditions, furnished by the Owner’s Representative, including sample forms for
   contract, bonds, etc.
d. Supplementary general conditions, furnished by the Owner’s Representative, if any
e. Prevailing wage rates, furnished by the Owner’s Representative
f. Division one general requirements, prepared by the Architect and approved by the Owner’s
   Representative; may include provisions tailored to meet City needs, i.e. laydown areas, traffic and
   parking control
g. Special Conditions: if not included in Division One, City may include provisions tailored to meet City
   needs herein, must be approved by Project Team
h. Technical specifications, prepared by the Architect.
2.04 Role of the Architect During Bidding Phase
The responsibilities of the Architect during bidding phase include:

a. Reproduce the plans and specifications and furnishing them for distribution to bidders;
b. Answer all questions from bidders relative to the project in an appropriate manner;
d. Issue all addenda after obtaining approval from the Owner’s Representative;
e. Attend the formal bid opening;
f. Evaluate any bid overrun;
g. Submit a complete listing of all tests required in accordance with the project specifications.

2.05 Role of the Owner’s Representative During Bidding Phase
During the bidding phase of the project, the responsibilities of the Owner’s Representative include:

a. Make all arrangements required to accommodate the prebid walkthrough.
b. Coordinate delivery of the project plans and specifications to the designated distribution location, and ensure that both the plans and specifications are numbered consecutively.
c. Ensure that a record is kept of all plans and specifications issued, by number of bid set and name of contractor receiving that bid set, along with contractor’s address, phone and fax numbers.
d. Periodically throughout the bidding period, furnish the Project Team and the Architect with the names of all contractors who have withdrawn plans.
e. Ensure that all addenda issued are attached to the plans and specifications on hand and that copies are mailed to all plan holders.
f. Handle all public information releases concerning the project through the Project Team.
g. Prepare and conduct the formal bid opening at the City; accurately record all bids received on the official Abstract of Bids form.

2.06 Advertising for Bids
The Owner’s Representative is responsible for placing advertisements soliciting bids in appropriate trade papers and newspapers in accordance with the provisions of the contract laws that apply. Advertisements for bids are placed approximately four weeks prior to the bid opening date. At this time the Owner’s Representative directs the Architect to produce project plans and specifications and arrange for delivery of them to the City’s designated distribution location by the day of the first advertisement date. The Architect shall seek bids for the printing and select the most economically responsive bid. Three sets of project plans and specifications shall be directed to the Project Team, and the Architect shall keep adequate sets for his/her own use.

2.07 Addenda During Bidding
The Architect is the only person who may clarify the contract documents and answer questions from bidders or other interested parties during the bidding period. The Owner’s Representative must direct all questions concerning the project to the Architect, other than those questions relative to withdrawing plans, etc., which are not technical. As the result of these questions and Architect review of the plans, the need for clarification or additional information sometimes becomes necessary. The Architect will then contact the Project Team for authorization to prepare and issue an addendum to the plans and specifications. The Architect will also send to the Owner’s Representative sufficient copies of the addendum for mailing to all plan holders and attachment to any remaining plans and specifications. The Owner’s Representative must first clear addenda changes with the Project Team before they are issued. Addenda must be issued in sufficient time for bidders to react to them, and three days is deemed the minimum time for this.

2.08 Bid Opening
Location, Time and Date, and Preparation for Bid Opening
For maximum success, bid opening should be scheduled for 2:00 p.m. on a Tuesday, Wednesday or Thursday. The bid opening should not be scheduled on the day preceding or following a holiday or a
vacation. It is recommended to avoid morning bids and bids held on Monday and Friday. The Owner’s Representative presides over the bid opening and receives all bids submitted at the bid room. Ten minutes before the bid opening the recorder must make a telephone check on the room clock and adjust it if it is not accurate. It is recommended that the recorder then announce the time at intervals until the scheduled bid opening time is reached. As a clarification, if the time for receiving bids expires at 2:00 p.m., then all bids must be submitted prior. When the clock strikes 2:00, the time is up—no bids may be received after this time. When the scheduled bid opening time is reached, the recorder must notify the Owner’s Representative, who is responsible for signaling the end of the bid acceptance period promptly with a bell or gavel and announcing “The period for accepting proposals by the City for the Construction of a New City Hall is closed. Bids will now be publicly opened and read.” It is mandatory that no bids tendered after the audible signal of the bell or gavel be accepted. Acceptance of a bid after this signal could result in a protest by a bidder, which would lead to rejection of all bids submitted. The actual bid opening shall be as follows: Recorder will open one sealed envelope with the bid and hand it to the Owner’s Representative who will extract the bid from the envelope and read Contractor’s name and state whether or not a bid security is attached, the subcontractors are listed. Owner’s Representative will then announce the amount of the bid with any additive or deductive alternatives that are listed. The recorder will record this information on the Abstract of Bids form. This procedure shall be repeated until all the responsive bids are read. Owner’s Representative will also state the number of bids that have withdrawal requests, but nothing else concerning these bids. After all the responsive bids are read and tabulated, Owner’s Representative will state: “The tabulation will be checked, and the apparent low bidder announced.” Owner’s Representative will then check the tabulation against the bids while at the bid table. When the bids have been checked, the announcer will make an audible signal and state “The apparent low bidder is (state name, address, bid price). The apparent second low bidder is (state name, address, bid price).” The Owner’s Representative then closes the bidding procedure with “The receiving of bids for the New City Hall project is closed, and the bids submitted will be taken under advisement by the City.”

2.09 Withdrawal of Bids
A bid may be withdrawn prior to bid opening by submittal of a letter of withdrawal to the City. The Owner’s Representative must make sure, by direct question, that it is a bid withdrawal letter. The Owner’s Representative must then open the letter, read it, and staple it to the bid that is to be withdrawn. This bid must be set aside, to be returned to the bidder unopened.

2.10 Determination of Contractor Responsibility
The Owner’s Representative is responsible for completing the responsibility determination for the apparent low bidder. As specified in the contract General Conditions, there is specific information that must be provided by the low bidder within a fixed period of time after bid opening for the City to be able to make this determination. In the event the City determines the apparent low bidder is not responsible, there is a specified period within which a contractor can appeal the determination. After the appeal period, the process will start again with the next apparent low bidder. Any potential determination of non-responsibility must be discussed in advance with the City Attorney.

2.11 Bid Protests
The Owner’s Representative will immediately confer with the City Attorney, and suspend contract award, if a protest is received from any bidders within the specified protest period.

3.00 CONSTRUCTION PHASE

3.01 Preconstruction Meeting
The Owner’s Representative is responsible for scheduling a preconstruction meeting at the City at the time of execution of the contract with the successful prime contractor (normally prior to the Notice to Proceed). Attendance at this meeting includes the Owner’s Representative, other City staff; the Architect; the contractor; construction inspector. The main duties and responsibilities of the persons filling these positions are outlined at this meeting. The Owner’s Representative shall chair this meeting, which will be based on the preconstruction meeting agenda.
3.02 Progress Schedule and Contract Bid Cost Breakdown
As specified and as required by the contract, the Contractor shall prepare a construction schedule and a contract bid cost breakdown, and submit copies to the Owner's Representative and the Architect. The Architect, with input from the Owner's Representative and Project Team, will review and approve both the schedule and the breakdown. Responses shall be compiled by the Architect and returned to the Contractor with copies to the Owner's Representative. The Owner's Representative is responsible for reviewing the progress completion schedule on a monthly basis and alerting the Architect and the Project Team of any slip in the Contractor's performance of the approved construction schedule.

3.03 Contractor's Payment Request
The approved bid cost breakdown shall be used by the Contractor in the preparation of the regular monthly payment request on standard payment request forms. The Contractor shall submit four sets of payment requests, all with original signatures. The Owner's Representative and Architect shall sign the payment request certifying that the completed percentage of work is accurate. The certified payment request shall be reviewed by the Public Works Director then be forwarded to the Finance Director for approval, processing, and distribution. The Contractor will submit an updated construction schedule as part of the monthly payment request. See Figure (3).

3.04 Daily Diary
During Construction the Owner's Representative shall keep separate daily diaries. At the end of each day he/she shall sign and date the page directly under the last written line to prevent postdate entries. Diaries may also be maintained electronically. If the diary is maintained electronically, it is advised that at the end of each day the Owner's Representative print out that day's entry, and then sign and date the page directly under the last line of text to prevent postdate entries, and keep that signed page in a file. The daily diary is extremely important and must be properly kept.

3.06 Record Drawings
The Owner's Representative and the Architect shall see that the contractor maintains “as-built drawings” during the course of construction as required by the contract. The contractor will transmit record drawings to the Architect as part of the completion documents. The Architect will correct his/her tracings at the completion of the contract in accordance with his/her design agreement. These drawings shall show actual as-built conditions including changes of dimensions or locations of items from the plans. Each change order to the contract shall be shown by reference or sketch drawing on the “record drawings.” Supplementary drawings and change order drawings shall become a part of the record package. Every sheet of the contract drawings that differs from the record condition shall be marked to reflect the actual conditions, and sheets so changed shall be noted on the drawing title sheet. “Record drawings” shall be sufficiently exact and detailed so that any future work to the structure and adjacent areas may proceed with a minimum of difficulty.

3.07 City-furnished Items
The Owner’s Representative/construction inspector shall be responsible for coordinating the delivery of project items to be furnished by the City.

3.08 Testing
At the beginning of the contract, the Architect will list the materials and the types of testing required by the contract. The Owner's Representative will furnish the name of the testing laboratory that will perform the tests that are not the responsibility of the contractor. All field samples of materials to be tested shall be taken by the Owner's Representative/construction inspector or by the laboratory in his/her presence. Complete records shall be kept of all samples taken and tested as well as the results of the tests. Testing laboratories shall have their on-site services verified by the Owner's Representative. Field tickets signed by the Owner’s Representative shall be attached to laboratory payment requests or invoices as a services source document. Testing required to be performed by the contractor will be monitored by the Owner’s Representative/construction inspector and reports from the testing laboratory will be submitted to the Architect for review.
3.09 Safety
Safety shall be a prime consideration in every operation on a construction project. The Owner’s Representative/construction inspector shall review the appropriate safety measures to be used by the contractor. A clean and safe job is a requirement of the contract, and adequate means are provided in the contract to enforce these conditions. Liability for safety shall be solely the responsibility of the contractor.

3.10 Field Instructions
Field instructions are the official written communication between the Owner’s Representative/construction inspector and the contractor. Copies of all field instructions shall be sent to the Architect. Field instructions may be served or addressed to the contractor for:

a. Emergency work including safety violations
b. Outlining deficiencies and/or inspection corrections
c. Architect directions or clarification
d. Directions to proceed with a change per the Contract General Conditions with the Project Team’s authorization
e. Directions to proceed with disputed work per the Contract General Conditions with the Project Team’s authorization
f. Other reasons requiring written communications.

3.11 Requests for Information (RFI) and Submittals
The Owner’s Representative shall assist in timeliness by regular follow-up on all Requests for Information (RFIs) and all submittals of required materials and shop drawings to avoid delay in securing answers and approvals thereof. Materials shall be approved by the Architect before they are allowed to be placed, otherwise notification should be given to the Contractor that he is proceeding at his/her own risk. If the contractor claims that an RFI or submittal response is a change to the contract, the Owner’s Representative and the Architect shall review the contractor’s claim and make recommendations to the Project Team as required; if a change is intended or direction to proceed under protest is required, a field instruction signed by the Owner’s Representative shall then be produced and transmitted to the contractor. See Figures (2) and (6).

4.00 CONTRACT CHANGE ORDER PROCEDURES

4.01 General
When the proposed need for a change order is first known by the Architect, a change proposal shall be prepared. It is the conceptual approval form and should be prepared for each change as early as possible. A partial purpose of the change proposal is to eliminate unnecessary cost proposal requests to the Contractor and to control additional construction and design costs. All proposed or requested changes to the contract in excess of the Owner’s Representative’s authority shall be discussed with the Project Team prior to or concurrent with a change proposal being prepared. The Project Team shall determine whether or not to proceed with the proposed or requested change. When so notified by the Owner’s Representative, the Architect shall proceed with the change proposal. No extra services are to be used by the Architect prior to the approval. See Figures (4) and (5).

4.02 Normal Change Orders
a. The need for a change order usually arises from one of the following reasons:
   1. Error in or omission from the contract documents;
   2. Unforeseeable job site conditions such as rock, expansive soil, unrecorded utility lines or similar circumstances;
   3. Change in the requirements of a regulatory agency, such as revisions in building codes, fire, safety or health regulations;
   4. A change originated by the Owner;
5. Changes in specified work due to the unavailability of specified materials.

b. Architect shall prepare a change proposal, in accordance with the following instructions and submit it to the Owner's Representative.

4.03 Change Proposal Procedures

a. The Architect shall assign numbers to change proposals sequentially. Should a change proposal be voided or not used, then the change proposal log shall reflect that status.

1. Description of Proposed Change: The Architect shall describe completely and definitively the change or changes proposed.

2. Necessity for Proposed Change: The Architect shall state on the change proposal the condition, circumstance or occasion which makes the change proposal necessary. Be precise and specific. Indicate precisely what code change has been made, what condition was encountered, or what error or omission exists.

3. Origin and Originator of Proposed Change: The Architect shall name the originator of the proposed change and identify the original proposer, i.e. Architect, Contractor, Owner's Representative.

4. Classification of Proposed Change: Circle the appropriate classification. If '4.6' or 'Other' is selected, it should clearly not fit any of the other classes and must be described. Classification '4.6' is not allowed on annual reports to the Trustees, so it is best to classify the change by primary class, '4.1' to '4.5.' If multiple classifications are necessary, split the proposed change into separate classifications, along with cost and other identifying information.

• 4.1 Error in or omission from the contract documents. Split this classification into two subgroups for annual reporting to the Trustees:
  4.1.1 Errors
  4.1.2 Omissions

• 4.2 Unforeseeable job site condition such as rock, expansive soil, unrecorded utility lines or similar circumstances.

• 4.3 Change in the requirements of a regulatory agency, such as revisions in building codes, safety or health regulations.

• 4.4 A change originated by the Owner.

• 4.5 Changes in specified work due to the unavailability of specified materials.

• 4.6 Other, describe when applicable.

5. Estimated Cost of Proposed Change

(a) Construction Cost (A/E Estimate): The Architect must provide an estimate of the additional cost or credit for the proposed change. If the Architect estimates a change proposal to be a no-cost change, the estimated cost should be indicated as $0. When the proposed change is originating from other than the Contractor, the cost estimate should be made by the Architect. The construction cost estimate should be of the "order of magnitude" or "probable cost" type. The Architect should obtain assistance in obtaining the estimated construction costs from the Architect's consultants, when appropriate. The Architect should not discuss his estimate of the construction cost with the Contractor. At this stage there is no assurance a change will be approved. When the proposed change originates from the Contractor, and the Contractor submits a cost, the Architect shall review the Contractor's cost, using, where appropriate, the Architect's consultants and shall recommend that the Contractor's cost is or is not a valid cost for the work done.

(b) A/E Extra Service Compensation: The Architect must also provide an estimate of the extra A&E compensation required to make changes in the contract documents or produce additional drawings and/or specifications necessary to proceed with the execution of the proposed change. If the proposed change is Item 4.1 (error in or omission from contract documents), the estimated design cost shall always be indicated as $0. The extra compensation requested by the Architect may be allowed if it is in accordance with the Architect's Agreement and is approved by the Project Team. Failure to include
extra compensation in the change proposal may preclude the Architect from claiming such extra compensation at a later date. Incorrectly quoted compensation may be revised upon submittal by the Architect of a complete description and substantiation for the additional compensation prior to approval of the proposed change order. A delay in this submission may result in a rejection of the amended compensation request. If approved, a letter authorizing the extra services compensation will be sent to the Architect from the Project Team.

6. Preparation and Recommendation: The Architect must include his/her signature and then submit the change proposal to the Owner’s Representative. The Owner’s Representative will then secure the reviews/approvals of the Project Team.

(a) The Owner’s Representative shall make a recommendation on all proposed changes and is authorized to approve changes not exceeding $5,000 under the following circumstances:

(1) The change is essential to the project and is not a change in scope, including changes originated by the City, or a change dealing with administrative items.

(2) The Architect, and/or his consultant, agree to the need for the change, and, if possible, the estimated cost.

Note: A change “originated by the City” is considered an “elective change” for the purpose of these recommendations.

(b) Project Team: All proposed changes with a possible change in scope or costing over $5,000 require the Project Team approval.

4.04 Contract Change Order Procedure

a. Architect shall complete four original copies of the contract change order form, all four copies with original signatures (including the Architect's signature), attach to each copy all back-up materials, and send all four copies to the Contractor for signature. The Architect shall assign numbers to change orders sequentially. Should a change order be voided or not used, then the change order log shall reflect that status.

b. Contractor shall review and sign contract change order and send all copies, each with back-up materials, to the Owner’s Representative for signature.

c. Owner’s Representative shall review contract each change order for conformance to the approved change proposal(s) and review all attached back-up for completeness and conformance to the contract specifications. Owner’s Representative shall sign all change orders not exceeding $5,000. If there are multiple change items on a single change order, the Owner’s Representative may sign the change order only if the absolute value of each separate item listed on the change order does not exceed his/her authority. If one or more of the items exceeds the Owner’s Representative’s signature authority the Owner’s Representative must secure approval from the Project Team.

4.05 Emergency Change Orders

a. Emergency change orders, as defined in the Contract General Conditions are those requiring immediate action to avoid a serious work stoppage, delay and/or extra costs.

b. Architect, Owner’s Representative/Construction Inspector shall advise the Project Team of the emergency situations and, if possible, estimate the cost of the change. The Mayor shall give verbal approval to all changes involving a change in scope, including a change originated by the City. A lump sum cost shall be agreed with the Contractor. If the agreement on cost is not reached, Contractor shall proceed on a time and material basis, with an "authorization limit", if required, and utilizing a field instruction or letter from the Owner’s Representative.

c. Owner’s Representative shall issue Contractor a field instruction on which Owner’s Representative has authorized Contractor to proceed on the agreed lump sum cost or on a time and material basis, or on other agreed cost basis.

d. Architect shall immediately prepare a change proposal, including an estimate of the cost, as normal, and submit it to Owner’s Representative for approvals. When work is completed, the Architect shall prepare a formal contract change order. The Architect shall attach necessary documentation, including copies of time and material logs, if required, to the contract change order. Cost of the change may be according to an agreed lump sum, based on certified time and material costs, or a combination as appropriate.
4.06 Time Extensions
a. Contractor may request a time extension when submitting its cost for a change. A time extension may be allowed only upon justification in accordance with the Contract General Conditions. Schedule impact of critical path work which will cause the project to complete later than the official completion date is the base criterion for a time extension.
b. Time extensions should be reviewed by the Architect with consultation of the Owner's Representative prior to making recommendations to the Project Team. Acquire the Project Team's concurrence prior to including a time extension on a change order. To allow time may cause extended overhead cost, and to deny it may cause construction acceleration.

5.00 CONTRACT COMPLETION PHASE

5.01 General
When a project is nearing completion in accordance with the Contract General Conditions, the first step for project acceptance shall be a check inspection. This check inspection is held to assure conformance to the contract requirements and to generate a punch list of work to be completed, adjusted, or corrected prior to the final inspection that verifies completion for acceptance. The Owner's Representative/construction inspector and the Architect will establish a date for this inspection of the contract work.

5.02 Attendance at Check Inspection
Present at the check inspection shall be the Architect, the Owner's Representative, other City staff if appropriate, and the contractor. The Owner’s Representative/construction inspector shall coordinate punch lists of items that must be completed, adjusted or corrected to complete the contract work. The Architect will be responsible for a timely compilation of all consultant punch lists. The contractor shall witness the inspection to receive information and instructions regarding the work to be done. A draft copy of the punch list may be given to the contractor after the inspection. Inspection should start promptly and continue until completed, and may be more than one day in some projects. If the work has not progressed as contemplated and is not ready for a check inspection, it may be canceled and continued when ready. The punch list should be transmitted to the contractor timely with copies to all parties.

5.03 Punch Lists
The Owner's Representative is responsible to assure that the contractor completes the punch list items. The Owner’s Representative must be sure the contractor is aware of the extent of work required by each item and urge early completion of all items. The Owner's Representative shall keep the Architect and the Project Team advised as to the status of the punch list items, in order that the earliest possible date for the final inspection of the project may be set. The punch list status should be included in the Weekly Report at this stage of the project. Any outstanding items on the Project Closeout Checklist shall be added to the punch list, as appropriate. This includes timely submittal of as-builts. The Owner’s Representative should aggressively remind the Contractor and the Architect of the need to timely submit as-builts. Contract funds will be retained from each until this submittal is satisfactorily complete.

5.04 Final Inspection
When the punch list items have been completed, a final inspection shall be held to inspect the completed work. The final inspection may end the contract time and transfer the project to the City for occupancy and maintenance. The Owner's Representative shall coordinate the date and time for the final inspection of the project with the Architect and the Project Team. After the final inspection, all keys for the facility shall be turned over to the City as well as all supplies and/or data required by this transfer of the facility to their responsibility. Appropriate transmittals shall be used regarding these transfers. The Owner's Representative will officially notify the Project Team and the contractor of the acceptance of the facility.

5.05 Project Completion Report
The Owner's Representative will prepare all appropriate documents at completion and execute the legal requirements. Both the Owner's Representative and the Architect shall state in writing to the Project Team that to the best of their knowledge the contractor has complied with the terms of the contract. The Project Closeout Checklist must be completed by the Owner’s Representative (as applicable) and
submitted to the Project Team with the recommendation to accept the project and file a Notice of Completion.

5.06 Project Files
The Owner’s Representative must maintain the project files for the project. These files shall be available for reference at all times by the Architect and the Project Team. They shall be neatly kept and adequately protected. At the completion of a project, the project files shall be forwarded to the City Engineer, and shall include all equipment brochures and other submittals. The Owner's Representative is responsible for transfers.
Policy: **Contract Changes**  

**Revision 2 effective 6/03/02**

**Purpose/Intent:** This policy describes the procedures to be followed for preparing, processing and routing of construction contract change orders. This policy expands the authority of the inspectors described in Standard Specifications Section 1-05.2, “Authority of Assistants and Inspectors”. Clark County intends to honor agreements made with the contractor at all levels. Clark County representatives must be clear in communicating to the contractor when an agreement has been reached, what the agreement is, and when it is subject to further approval. It is the intent of this policy to allow maximum flexibility to the construction management staff to resolve issues, maintain the integrity of the contract documents and further the progress of the work.

**Responsibilities & Affected Parties:** Construction management staff and office support staff are responsible for the identification and resolution (including documentation) of changes to construction plans and specifications in the construction phase. The Capital Improvements Program Manager retains approval authority for all changes as the “Engineer”, defined in WSDOT Standard Specifications 1-01.3.

**Classification and Authority Level**

1.1 **Field Changes**

a) Field Changes are those changes that are of limited scope, impact, complexity and cost. Guidelines for these limitations include changes that do not increase the contract time by more than ½ working day, and/or cost less than $1,000.00. Field changes cannot have ripple effects on designs (i.e. structural impediment), redirect storm flows, redirect permanent traffic patterns, etc. Field Changes require an agreement between the contractor and the Inspector or Engineer prior to execution of the work and must represent a resolution to the cause of the change.

b) Inspectors, construction engineers and construction managers are authorized to make Field Changes.

c) Field Changes at any one time may aggregate to $5,000.00 maximum. Upon review and approval by The Construction Engineer, additional funds will be transferred to the Minor Changes Bid item of the contract. If the limit on minor field changes is exceeded and the construction engineer has not transferred additional funding to Bid Item 2, no further field changes are authorized.

1.2 **Minor Changes**

a) Minor changes are as defined in Chapter 1-04.4(1) by the standard specifications for Road, Bridge and Municipal Construction and can be used for payments or credits amounting to $ 10,000.00 or less and/or may address time up to two (2) working days.

b) Construction Engineers are authorized to approve minor changes with the contractor under the equitable adjustment provisions in section 1-09.4 of the standard specifications.

1.3 **Regular change orders**

Regular change orders are all those changes that exceed the criteria for field changes and minor changes.
Documentation

All changes, regardless of magnitude will be assigned a cause code from the following list:

- **UNFC**: Unforeseen Condition i.e. buried utility cable, structure, etc.
- **DSGN**: Design Error
- **CRIP**: Cost Reduction Incentive Proposal
- **CONT**: Contractor requested change, i.e. different material or method
- **CUST**: Client or Project Manager Requested change
- **PROP**: Property Issue Resolution
- **CMGT**: Construction Management Requested change

2.1 **Field changes** are to be documented by the Inspector and noted in the inspector’s daily report (IDR). The agreed cost and time impacts are to be identified specifically. An 8 ½” x 11 redlined copy of the plan sheet area or the specification that was changed and how it was changed is to be attached to the IDR. Field changes will be paid under minor changes item 2A to a maximum of $5,000.00. All documentation is to be turned into the construction engineer and reviewed, tallied and filed under minor changes in the project files.

2.2 **Minor changes** are to be documented by the Construction Engineer in the minor changes item of the contract. A memo must identify the cost and time impacts specifically. An 8 ½” x 11 redline copy of plan sheet or specification that was changed is to be attached to the memo. Consecutive minor changes will be assigned an identifier of a combination of 2B, 2C…2 X. Minor changes will be paid under item 2 “Minor Changes” as per the standard specifications. The construction engineer is to document in writing a cost estimate validating the agreed pricing. All documentation will be filed under minor changes in the project files.

2.3 **Regular change orders** are to be documented by the Construction Engineer with a change order as per the standard specifications. A memo must identify the cost and time impacts specifically. Relevant documents (Plan sheets, cross sections, specification language, certifications, pictures, correspondence, etc.) showing the change and all effects of the change shall accompany the memo. The Construction Engineer shall perform a cost estimate of the change prior to negotiating or agreeing to the change. Regular changes will be assigned a new item number consecutively. All documentation will be filed under change orders in the project file even if redundant in nature so that the complete package is located under change orders.

3. **Routing and Notification**

3.1 **Field changes** are to be routed to the project records via the construction engineer

3.2 **Minor changes** are to be identified in the progress payments with the hybrid item 2 numbers, contain a short descriptor and cost. Notification of these changes will be by the progress payments and no further routing or notification is required.

3.3 **Regular changes** are to be reported to the construction manager and project manager with an estimate of cost and time impact as soon as they are identified. Changes under $10,000 can be completed upon verbal approval of Construction Manager, Changes over $10,000 require CIP Manager approval. A pending change order number will be assigned and a memo noting the above information. The project manager will notify programming of significant budget effects. Upon receiving funding approval from the Project Manager, the Construction Engineer will negotiate the tentative change. Once tentative agreement has been reached with the contractor a change proposal memo will be forwarded to the construction manager. The proposal memo will contain the relevant parameters and request approval of the change. Upon approval of the change, the Construction Engineer will prepare the change order documents and have the contractor sign the change order. Once signed by the contractor the construction engineer will forward it to the construction manager and then to the Capital Improvement Program manger for signature. The original of the approved change order will be placed in the project file with copies to the contractor, CIP Administrative Assistant and the Inspector.
4 Guidelines.

4.1 Communication and collaboration between the engineer and the inspector on minor changes is essential to a successful project. The collective wisdom/experience in determining the extent and need for a change is preferred to a single individual’s risk. Good judgement is necessary and there is wisdom in the council of many.

4.2 Representatives of Clark County are not to sign contractor offered documents, which contain reservation clauses that reference unidentified impacts of time and or cost.

4.3 The change order process will be addressed with the contractor at the pre-construction conference.

Developed by: Approved by:

Monte P. Monteith, P.L.S. date
County Surveyor/Construction Manager

Kevin Gray, P.E. date
Capital Improvements Program Manager

This is the end of a test
CITY OF SAMMAMISH  
WASHINGTON  
ORDINANCE NO. 2000-50

AN ORDINANCE OF THE CITY OF SAMMAMISH,  
WASHINGTON, ESTABLISHING A PROCEDURE  
RELATING TO CONTRACT APPROVALS AND  
AUTHORIZING THE CITY MANAGER TO EXECUTE  
CERTAIN CONTRACTS WITHOUT PRIOR INDIVIDUAL  
APPROVAL BY THE CITY COUNCIL

WHEREAS, RCW 35A.11.010 provides that the City of Sammamish, through its  
legislative body, may contract and be contracted with; and

WHEREAS, the City enters into a large number of minor and routine contracts for which it  
is burdensome to individually have City Council approval; and

WHEREAS, the City Council determines that the practical needs of the City require that the  
City Manager enter into certain contracts without prior individual approval by the City Council in  
order to allow the City to function in an orderly manner;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAMMAMISH,  
WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Contract Approval Authorization. The following procedure is hereby established  
for the approval of certain contracts and granting the City Manager authority with respect to such  
contracts:

A. The City Council authorizes the City Manager to enter into and execute on behalf of  
the City the following contracts without individual approval of each contract by the City Council,  
so long as the contract is consistent with the approved annual budget for the City, and the City’s  
liability under the contract does not exceed available fund balances:

1. Contracts for purchase of goods, supplies, materials, or equipment involving a cost or fee (excluding sales tax) of less than Fifteen Thousand Dollars ($15,000).

2. Professional service contracts, including contracts for architectural, engineering, legal, and consulting services involving a cost or fee (excluding sales tax) of less than Fifteen Thousand Dollars ($15,000).

3. Maintenance contracts involving a cost or fee (excluding sales tax) of less than Ten Thousand Dollars ($10,000) per year.

4. Public Works projects involving a cost or fee of less than Thirty-five...
Thousand Dollars ($35,000) involving multiple trades, and Twenty Thousand Dollars ($20,000) involving a single trade.

5. Settlement agreements involving a cost or fee of less than Twenty Thousand Dollars ($20,000), and retention of legal counsel and expert consultants, involving risk management claims or suits.

6. Other routine agreements where no expenditure is involved, or the cost, expenditure, or fee (excluding sales tax) does not exceed Ten Thousand Dollars ($10,000).

7. Lease agreements for materials, supplies, and equipment where the expenditure or fee does not exceed Ten Thousand Dollars ($10,000) per year.

8. Sale of unneeded surplus personal property with an estimated cumulative value of Ten Thousand Dollars ($10,000) or less, which has been certified for disposition, such sale or disposition to be made by the City Manager in accordance with informal procedures and in the best interest of the City.

9. Contracts that carry out or implement a provision of the Sammamish Municipal Code or established City policy, e.g., maintenance or performance bonds for plat improvements.

10. Emergency contracts. “Emergency” means a set of unforeseen circumstances that either:

   a. Presents a real, immediate threat to the proper performance of essential functions; or

   b. May result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken; or

   c. For public works projects, may result in a substantial loss to the City if the contract is not immediately entered into.

11. Employment and personnel matters. Unless otherwise provided by statute or ordinance, e.g., salaries and compensation are subject to City ordinance.

B. The breaking down of any purchase or contract into units or phases for the purpose of avoiding the maximum dollar amount is prohibited. The amount of a contract includes all amendments; provided, however, that amendments that do not exceed in total ten percent (10%) of the contract amount may be entered into without prior City Council approval.

C. The City Manager may present any contract to the City Council for prior approval, even if the contract is allowed to be approved without prior City Council approval.

D. All interlocal agreements shall be presented to the City Council for prior approval.
E. The City Manager shall promptly, within ten (10) days, provide to the City Council a copy (or summary) of any contract (or amendment) that has not received prior approval by the City Council.

F. "Contract" means any agreement creating a legal relationship between the City and another person or entity, or any amendment thereto.

Section 2. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 3. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.


CITY OF SAMMAMISH

[Signature]
Mayor Jack Barry

ATTEST/AUTHENTICATED:

[Signature]
Ruth Muller, Interim City Clerk

Approved as to form:

[Signature]
Bruce L. Disend, City Attorney

Filed with the City Clerk: February 16, 2000
Passed by the City Council: February 14, 2000
Ordinance No. 02.000-50
Date of Publication: February 23, 2000

- 3 -
3.05.110 - Change Orders on Construction Contracts.

A. In accordance with the terms and conditions of this section, the City Manager and the Director of Public Works and Utilities are hereby authorized to approve and sign construction contract change orders on construction contracts, if the change order does not substantially change the scope of the project and if the total contract amount as adjusted by the change order is within the amount budgeted for the project.

B. If the total amount of the change orders for a project is $5,000 or less, the Director of Public Works and Utilities may approve the change orders.

C. If the amount of the change order is between $5,000 and $100,000, it must also be approved and signed by the City Manager provided that
   1. The total of all change orders for a project costing less than $100,000 shall not exceed $15,000.
   2. The total of all change orders for a project costing $100,000 or more may be issued for 15% of the original contract amount, not to exceed $100,000.

D. If the amount of the change order is in excess of the City Manager’s authority, it must be approved by the City Council.

E. When the City Manager or Director of Public Works and Utilities approves change orders according to the conditions stated in paragraphs A and B above, he shall forward the change order to the City Council for its information within thirty (30) days of the signing of the change order. (Ord 3264 §1, 12/15/2006)
0404- CHANGE ORDERS ON CONSTRUCTION CONTRACTS

1.0 PURPOSE:
1.1 To provide instructions to field inspectors and office personnel on procedures for contract change orders.
1.2 To improve record keeping on construction projects.
1.3 To provide a uniform method for contract change orders

2.0 ORGANIZATIONS AFFECTED:
2.1 Public Works Engineering staff
2.2 Engineers and Architects on City managed construction projects

3.0 POLICY:
3.1 All revisions, clarifications, field requests and field authorizations for construction contracts shall be documented using the "REQUEST FOR INFORMATION" form.
3.2 All change orders to contracts shall be approved in accordance with the Port Angeles Municipal Code 3.05.110, which is quoted in its entirety here:

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D. If the amount of the change order is in excess of the City Manager’s authority, it must be approved by the City Council.
E. When the City Manager or Director of Public Works and Utilities approves change orders according to the conditions stated in paragraphs A and B above, he shall forward the change order to the City Council for its information within thirty (30) days of the signing of the change order. (Ord 3264 §1, 12/15/2006.)

4.0 DEFINITIONS:
4.1 RFI: Request for Information.
4.2 CCO: Construction Change Order.

5.0 PROCEDURES:
5.1 A construction contract change order may be initiated by the Contractor, City inspector, or Architect/Engineer by using the RFI form included in Part 4 of the Project Manual, filename "0407_04 Part04.doc".
5.2 The person completing the form shall fill in all areas of the form and sign the request.

5.3 The paperwork flow on the change order shall proceed as shown on the attached diagram, PW-404_03.

5.4 The change order form is included in Part 4 of the Project Manual, filename “0407_04 Part04.doc”.

6.0 APPENDIX:

6.1 The "RFI" Form .................................................................................................. part of 0407_04 Part04.doc
6.2 Procedure flow for Change Orders .................................................................. 0404_03 Flow Chart.doc
6.3 Change Order Form ......................................................................................... part of 0407_04 Part04.doc
6.4 RFI Request Log ........................................................................................... 0404_05.doc
Construction Change Order (CCO) Flow Chart

1. RFI Initiated
2. CCO Needed? (Yes/No)
   - Yes: Contractor Provides Cost/Time Estimate for Approval
   - No: RFI Completed, work considered part of initial contract
3. Project Scope Change or Budget Exceeded? (Yes/No)
   - Yes: CCO's Less than $5,000? (Yes/No)
     - Yes: DPW/JU Approval Required
     - No: CCO's Less than $15,000 for Project Under $100,000? (Yes/No)
       - Yes: CCO's Less than 15% and $100,000 for Project Over $100,000? (Yes/No)
         - Yes: City Council Approval Required
         - No: Contractor Authorized to Begin Work (Info to Council within 30 Days)
       - No: City Manager Approval Required
4. No: CCO's Less than $5,000? (Yes/No)
   - Yes: City Council Approval Required
   - No: Contractor Authorized to Begin Work (Info to Council within 30 Days)

*Cumulative Change Orders
3.12.080 Amendments and change orders.

A. Amendments or change orders to contracts requiring city council approval under this chapter may be administratively approved by the mayor upon consultation with the department manager if the changes are:
1. Within the scope of the project;
2. Consistent with an initial bid process, if any;
3. Executed in writing; and
4. An increase of twenty (20) percent of the contract price or twenty thousand dollars ($20,000.00), whichever is less.

B. The value of all change orders will be aggregated, and when any single amendment or combination of change orders on the same project or purchase exceeds the limit under subsection (A)(4) of this section the change must be approved by the city council, except in the following instances:
1. For service contracts to accomplish an ongoing city program rather than a discrete project, the aggregation of administrative change orders shall be recalculated after each contract year.
2. Where the size of the contract makes it probable that administrative change order authority will be quickly exhausted, the city council may, upon recommendation of the mayor, extend the aggregate limits of subsection (A)(4) of this section upon award of the particular contract.

(Ord. 881 § 1 (part), 1999)