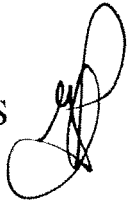


Stanwood Camano School District

TO : BOARD OF DIRECTORS
FROM : GARY PLATT, EXEC. DIRECTOR – CAPITAL PROJECTS
SUBJECT : POLICY 6957 – CHANGE ORDERS
DATE : JUNE 20, 2017
TYPE : ACTION NEEDED – FIRST READING



This policy was last updated on May 5, 2015, as we were beginning to issue construction contracts for projects approved under the Facilities and Technology Capital Levy. The policy has worked fairly well for most of those projects. However, there have been a couple of instances where multiple, but unrelated, items that are within the construction project contingency allowance were combined into a single change order that was close, in total, to the current \$50,000 limit.

As we consider the potential for change orders in our bond measure projects it appears that there is a likelihood of needing a higher limit for staff approval of change orders. The total construction contingency allowance for the bond measure projects is over \$7,000,000. Being able to approve changes without delaying the project schedule is important and, therefore, we are recommending the attached Policy 6957 be approved for a first reading as modified.

One of the comments regarding this policy that was made during the June 6, 2017, board study session was that the board wants to be kept informed of changes to contracts and project status. I discussed this with Chris Lilley, and he indicated that it is common practice for some districts to provide a monthly construction progress report to the school board. Mr. Lilley suggested that an item that his firm could provide is a log of change order proposals, architect supplemental instructions, construction change directives, and other documents that could be included in a monthly board report. We will be working on developing a reporting format, modeled after the monthly financial report packet, to keep the board informed of progress on the various projects.

Recommendation:

We recommend the board *move to approve the first reading of Policy 6957 - Change Orders, as attached.*

CHANGE ORDERS

The Board will approve change orders in excess of \$50,000, \$100,000, which arise during construction. In order to facilitate timely progress during construction, the Board grants delegates to the superintendent authority to authorize execute change orders if additional cost to the district does not exceed the approved contingency for the project or ~~extend beyond its original scope~~ within the original scope of the contract. The superintendent may further delegate such authority with approval of the board.