

SECTION 012600
CONTRACT MODIFICATION PROCEDURES

PART 1 GENERAL

1.1 CHANGE ORDER PROCEDURE

- A. If a change in the design of any portion of the work or the requirements of the Project Manual is deemed necessary by the Department of Public Property, the Department may order an alteration to, or a change in, the work covered by the Contract Documents, and the contractor shall comply with such orders. If such changes increase the cost of the work to the Contractor, the City will allow additional compensation. If such changes diminish the cost of the work to the Contractor the City may deduct the amount of the diminution. No consequential loss or profit due to reduction in the scope of work will be allowed the Contractor, but the Contractor may be entitled to an extension of time in these instances. No changes shall be made except upon a Department of Public Property standard Change Order Form, signed and executed by the Contractor and the Department of Public Property authorizing the change and fixing the method of compensation or deduction. This Section specifies administrative and procedural requirements for handling and processing Change Orders.
- B. The execution of a change order (increase or decrease) will require a proposal from the Contractor on company letterhead. Such proposal will include a complete description of the change and schedule impact and a complete cost breakdown including such items as Labor, Materials, Equipment, Crew Composition, Sub-Contractor costs, and associated Insurance and Bonding costs (if applicable). The contractor is entitled to percentage mark-ups on some of these items as stated in the Standard Contract Requirements. The proposal is to be submitted to the identified Department of Public Property Project Coordinator. Upon review and approval by the Department of Public Property Project Team, a signed Department of Public Property standard Change Order Form will be forwarded to the Contractor for final execution.

1.2 RELATED WORK SPECIFIED ELSEWHERE

- A. Applicable provisions of Bidding Requirements, Contract Requirements and other Division 1 sections including Sections 48 through 52 of the Standard Contract Requirements (007200).

1.3 CONTRACTOR'S RESPONSIBILITY TO INFORM

- A. Communication, either verbal or written, between the City or Design Professional and the Contractor, Subcontractors, or other parties involved, during the normal course of administration of the Contract, does not in any way constitute acceptance of a Change Order or direction to modify the Contract unless said communication is in the form of a written Change Order or Construction Change Directive as specified herein.
- B. Communication from the City or Design Professional including, but not limited to the following, does not constitute approval of a Change Order:
 - 1. Submittal review including submittals returned with notations and corrections;
 - 2. Site observation, conversation and reports;
 - 3. Participation in pre-construction, pre-installation, progress or other meetings;
 - 4. Clarification sketches or drawings.

- C. It is the responsibility of the Contractor to inform the City that any communication has, in the Contractor's opinion, caused reason to modify the Contract. The Contractor shall not undertake work which, in his opinion, requires a Change Order without completing procedures outlined herein.
 - D. Work done without completing Change Order procedures is entirely at the Contractor's own risk, even if the Contractor believes that communications from the City or Design Professional contain instructions to do work outside of the Contract scope.
 - E. The City and Design Professional will not willfully instruct work to be done that differs from the contract except through the Change Order procedures contained herein.
- 1.4 MINOR CHANGES IN THE WORK
- A. Supplemental instructions, not involving an adjustment to the Contract Sum or Contract Time, may be issued in writing by the City.
- 1.5 CHANGE ORDER PROPOSALS
- A. City-Initiated Change Order Proposal - Proposed changes in the Work that will require adjustment to the Contract Sum or Contract Time will be issued by the City, with a detailed description of the proposed change and supplemental or revised Drawings and Specifications, if necessary.
 - 1. Change Order Proposal requests issued by the City are for information only. Do not consider them as instruction either to stop work in progress, accelerate the work or to execute the proposed change.
 - 2. Unless otherwise indicated in the Change Order Proposal request, within 20 days of receipt of the Change Order Proposal request, submit to the City for review, an estimate of cost necessary to execute the proposed change.
 - a. Include a list of quantities of products to be purchased and unit costs, along with the total amount of purchases to be made. Separate labor and material charges. Where requested, furnish survey data to substantiate quantities.
 - b. Indicate applicable taxes, delivery charges, equipment rental, and amounts of trade discounts.
 - c. Include a statement indicating the effect the proposed change in the Work will have on the Contract Time or any special efforts of the Contractor that will be employed to reduce the delay.
 - d. Indicate that the Change Order Proposal is in response to a City request and submit it to the City as stated in 1.1 (B) of this section.
 - B. Contractor-Initiated Change Order Proposal – When Contractor claims latent or other unforeseen conditions require modifications to the Contract, the Contractor may propose changes by submitting a Change Order Proposal.
 - 1. Include a statement outlining the reasons for the change and the effect of the change on the Work. Provide a complete description of the proposed change. Indicate the effect of the proposed change on the Contract Sum and Contract Time.
 - 2. Include a list of quantities of products to be purchased and unit costs along with the total amount of purchases to be made. Where requested, furnish survey data to substantiate quantities.

3. Indicate applicable taxes, delivery charges, equipment rental, and amounts of trade discounts.
4. Comply with requirements in Section 012500 "Substitution Procedures" if the proposed change in the Work requires the substitution of one product or system for a product or system specified.
5. Submit the proposal to the City as stated in 1.1 (B) of this section.

1.6 ALLOWANCES

- A. Refer to Section 012100, Allowances.

1.7 CONSTRUCTION CHANGE DIRECTIVE (Force Account)

- A. When the City and Contractor are not in total agreement on the terms of a Change Order Proposal, the City may issue a Construction Change Directive instructing the Contractor to proceed with a change in the Work, for subsequent inclusion in a Change Order.
- B. The Construction Change Directive will contain a complete description of the change in the Work.
- C. Documentation - Maintain detailed records on a time and material basis of work required by the Construction Change Directive. After completion of the change, submit an itemized account and supporting data necessary to substantiate cost and time adjustments to the Contract.
 1. Contractor's documentation will not, by itself, establish the final cost.
 2. The City reserves the right to determine the value of the change in Work per the requirements of this Section.

1.8 DETERMINATION OF COST

- A. City reserves the right to use established estimating methods (including but not limited to industry standards and unit prices listed in this manual) to determine a fair and reasonable cost for changes in the Work.

PART 2 PRODUCTS Not used.

PART 3 EXECUTION

- 3.1 Sample Change Order Form, contact Project Coordinator for actual document.

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