

MEMORANDUM

DATE: March 2, 2021

TO: Water Commission

FROM: Daniel S. Duchniak, P.E.

RE: Change Order Authorization Process for GWA Program

As we work through the contracting for the Great Water Alliance Program, we wanted to make sure the Commission was aware of the process we intend to utilize for Work Change Directives for the contractor that will ultimately result in Change Orders being presented for approval. Per the project Specifications, Work Change Directive is defined as “a written directive to the Contractor issued on or after the Effective Date of the Contract, signed by the Owner and recommended by the Engineer, ordering an addition, deletion, or revision to the work”. A Change Order is defined as “a document which is signed by the Contractor and Owner and authorizes an addition, deletion or revision in the Work or an adjustment in the Contract Price or Contract Times, or other revision to the Contract, issued on or after the Effective Date of the Contract.

In an effort to provide flexibility to allow contractors to continue work on the program and to accommodate the magnitude of the Great Water Alliance contract packages we are proposing the following process would be utilized by staff when considering Work Change Directives. As background, staff did have discussions with both the program manager and the construction manager, as well as staff from the city on how they handled larger contracts such as the construction of the new city hall and the recent interceptor sewer project.

The process we will utilize would proceed as follows:

- The contractor and construction manager would identify areas where a change work directive would be necessary.
- The construction manager would negotiate the work change directive with the contractor and input from the program manager and staff, as necessary.
- The construction manager, program manager and contractor come to an agreement on the work change directive.
- The work change directive is presented to the Operations Manager or the Technical Services Manager.
- If staff agrees it would be presented to the General Manager, or Administrative Services Manager in his absence, for their concurrence and approval.

- If there is approval on all levels the Work Change Directive would be authorized to proceed. If there is not approval, the Work Change Directive would need to be presented to the Commission for approval before authorization.
- At the monthly Commission meetings, Work Change Directives would be presented for approval/ratification.

This approach allows contractor issues in the field to be addressed as soon as possible with approvals from multiple representatives including two managers from the Utility. It is consistent with normal construction procedures and with the process the city utilizes for larger contract.

We look forward to our discussion at the Commission meeting. In the meantime, please let us know if you have any questions or concerns.