

## 6. Standing Items - RSD Finance Issues

**Subject** 6.2 Consideration of change orders subject to approval by the Joint Legislative Committee on the Budget

**Meeting** Mar 6, 2014 - Administration and Finance Committee

**Access** Public

**Type** Action

### EXECUTIVE SUMMARY AND RECOMMENDATIONS

Revised 3/2012

**Contact Person(s):** Ron Bordelon  
**Phone Number:** 501-373-6200  
**Office:** Recovery School District

**Title:** Consideration of change orders subject to approval by the Joint Legislative Committee on the Budget

**Recommendation:** Approve

#### Summary of recommendation or proposed changes:

Pursuant to La. R.S. 17:1990, the Recovery School District is required to receive Joint Legislative Committee on the Budget (JLCB) approval for any change order in excess of \$100,000 to a contract for a project undertaken that would be considered a capital expense.

The Joint Legislative Committee on the Budget requests prior BESE approval for any such change order prior to being placed on the JLCB agenda for consideration.

**The RSD requests that BESE approve the following change orders and direct the RSD to place on the JLCB's agenda for consideration at the next regularly scheduled JLCB meeting:**

1. Change order for the construction contract with C.D.W. Services, L.L.C., for the mothballing of Andrew J. Bell Junior High School (project number 2011-0853-0001) in the amount of \$361,334.40 in order to provide for the:
  - a. removal of Regulated Asbestos-Containing Materials (RACM) for all hazardous materials in Building-E (Christy Building) and Building A (Annex Building) due to construction debris and finishes that were dislodged during the necessary repairs to structural walls;
  - b. installation of a course of brick and mortar cap over the brick wall at the demolished breezeway roof; and
  - c. general contractor's performance and payment bonds and overhead and profit for the additional work.
2. Change order for the construction contract with FHP Tectonics Corporation for the refurbishment of Frederick A. Douglass High School (project number: 2012-0868-0001) in the amount of \$378,871.98 in order to provide for the:
  - a. asbestos removal associated with classroom window replacement, due to the uncovering of unforeseen caulk at these openings that consisted of regulated asbestos containing material;
  - b. repair of existing reinforced concrete pipe (RCP); and

c. deletion of the installation of flood gates and fiber reinforced panels (FRP) for the gymnasium, at the owner's request.

Notice of Intent for Bulletin: \_\_\_\_\_

Notice of Intent for BESE Code and Code Reference: \_\_\_\_\_

FEB 07 2014

# AIA® Document G701™ – 2001

DOCUMENT CONTROL

## Change Order

<b>PROJECT (Name and address):</b> 10024-AB Mothballing of Closed Schools/ Safe & Secure at Andrew J. Bell Junior High School for Recovery School District 1010 North Galvez Street New Orleans, LA 70119	<b>CHANGE ORDER NUMBER:</b> 001 <b>DATE:</b> 06 February 2014	<b>OWNER:</b> <input checked="" type="checkbox"/> <b>ARCHITECT:</b> <input checked="" type="checkbox"/> <b>CONTRACTOR:</b> <input checked="" type="checkbox"/> <b>FIELD:</b> <input type="checkbox"/> <b>OTHER:</b> <input type="checkbox"/>
<b>TO CONTRACTOR (Name and address):</b> CDW Services, LLC 721 Papworth Avenue, Suite 101 Metairie, LA 70001	<b>ARCHITECT'S PROJECT NUMBER:</b> 10024-AB <b>CONTRACT DATE:</b> May 13, 2013 <b>CONTRACT FOR:</b> General Construction	

**THE CONTRACT IS CHANGED AS FOLLOWS:**

(Include, where applicable, any undisputed amount attributable to previously executed Construction Change Directives)

RFC No. 01, Item 1: Change Removal format to RACM for all Hazardous Material in Building E; credit for removal of existing debris and the removal of debris from the North Hallway wall (approx. 180 ft) on the second and third floor.....ADD \$147,144.70

RFC No. 01, Item 2: Change Removal format to RACM for all Hazardous material in Building A Annex; credit for not removing debris on first floor of Gymnasium.....ADD \$173,922.00

RFC No. 01, Item 3: Demolish Breezeway roof structure to the Chapel; install one course of bricks and install a mortar cap over the brick wall.....ADD \$348.00

RFC No. 1, Item 04: General Contractor's Overhead and Profit and direct Work associated with Items 01, 02, 03; and Performance and Payment Bond.....ADD \$39,919.70

The original Contract Sum was	\$ 2,058,000.00
The net change by previously authorized Change Orders	\$ 0.00
The Contract Sum prior to this Change Order was	\$ 2,058,000.00
The Contract Sum will be increased by this Change Order in the amount of	\$ 361,334.40
The new Contract Sum including this Change Order will be	\$ 2,419,334.40

The Contract Time will be increased by forty-two (42) days.  
The date of Substantial Completion as of the date of this Change Order therefore is 5/19/2014

**NOTE:** This Change Order does not include changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

**NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.**

VergesRome Architects, APAC	CDW Services, LLC	Louisiana Dept. of Education/Recovery School District
<u>ARCHITECT (Firm name)</u>	<u>CONTRACTOR (Firm name)</u>	<u>OWNER (Firm name)</u>
320 N. Carrollton Ave. Ste 100 New Orleans, LA 70119	721 Papworth Avenue, Suite 101 Metairie, LA 70001	1615 Poydras Street, Suite 1400 New Orleans, LA 70112
<u>ADDRESS</u>	<u>ADDRESS</u>	<u>ADDRESS</u>
<u>David Glen Reed</u>	<u>[Signature]</u>	<u>[Signature]</u>
<u>BY (Signature)</u>	<u>BY (Signature)</u>	<u>BY (Signature)</u>
David Glen Reed, AIA	Christopher Walker	Rodney Poirier
<u>(Typed name)</u>	<u>(Typed name)</u>	<u>(Typed name)</u>
<u>02/10/2014</u>	<u>2-10-14</u>	<u>18 FEB 2014</u>
<u>DATE</u>	<u>DATE</u>	<u>DATE</u>

# Change Order

PROJECT: Bell JH (Mothballing)

Change Order: 001

Date: 1/31/2014

PROJECT NO: 2011853

Format B: Must include line item scope and separate pricing for labor, material, profit, insurance

**How may this scope have been unforeseen/hidden condition from the original scope of work?**

This scope was unforeseen/hidden while jacking up the southeast load bearing wall (3' out of plumb), the existing debris and finishes were mixed in without anyway of differentiating what's hazardous/nonhazardous. The canopy at the Chapel needed to be demolished due to excessive moisture to the decking and wood joist runners.

**How change order scope is necessary?**

This scope is necessary in order to ensure a safe work area, the debris had to be removed as Hazardous to prevent any unsafe practices in the removal. The canopy was demolished which reduced the cost, in lieu of re constructing the canopy.

**Are these changes within the contract original scope?**

These changes are within the contracts original scope in accordance with La. Rev. Stat. 38:2212

**How were these prices determined? Did you consider rebidding? If not, explain.**

Prices were determined using comparative analysis between the proposal supplied by the contractor and the architect's reasonable cost index for the quantity of work described in the change order. This change order has been reviewed for cost reasonableness, time changes and validity.

Consideration has been given to the possibility of bidding this change order scope of work out separately and it has been determined the added time associated with the procurement process does not benefit the District in opening schools in a timely manner as indicated in the Master Plan. Additionally, there would be costs associated with bidding this scope of work out that would drastically increase due to the advertisement costs, the bidding phase fee of the Architect as allowed by their contract, the reproduction costs associated with the bidding documents, the additional service of the Architect managing multiple projects, added costs of the lower bidder to handle the general conditions and bid bond, there would be conflicts with insurance coverage, site access and project controls, and the additional costs of the general contractor currently under contract to add to their extended overhead cost for time extension due to changes out of their control. There would be issues regarding the systems not having a valid or multiple warranties due to multiple contracts completing the work.

**DESCRIPTION OF CHANGES**

PCO	Description	Labor	Material	Equipment	OH&P	Insurance/ Bonds	Amount
GC003							
001	Change removal format to RACM for all hazardous material in building E; credit for removal of existing debris and the removal of debris from the North hallway wall on the second and third floor.					\$	147,144.70
	<b>Total For PCO: GC003</b>	\$133,767.9	\$ 0.00	\$ 0.00	\$13,376.79	\$ 0.00	\$147,144.70
GC004							
001	Change removal format to RACM for all hazardous material in building A Annex; credit for not removing debris on first floor of gymnasium.					\$	173,922.00
	<b>Total For PCO: GC004</b>	\$158,111.0	\$ 0.00	\$ 0.00	\$15,811.00	\$ 0.00	\$173,922.00
GC005							
001	Demolish breezeway roof					\$	348.00

Detailed subcontract change orders grouped by each subcontract change order number.

Prolog Manager Printed on: 2/10/2014 LRSD

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Change Order  
Form B

PROJECT NO: 2011853

structure to the chapel; install one  
course of bricks and install a  
mortar cap over the brick wall.

Total For PCO: GC005	\$2,310.00	(\$ 1,962.00)	\$ 0.00	\$ 0.00	\$ 0.00	\$348.00
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GC006

001	General Contractor's Overhead and Profit on work associated with items 03, 04, and 05; performance and payment bonds.					\$ 39,919.70
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Total For PCO: GC006	\$ 0.00	\$ 0.00	\$ 0.00	\$39,919.70	\$ 0.00	\$39,919.70
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Total:	\$ 294,188.91	(\$1,962.00)	\$ 0.00	\$ 69,107.49	\$ 0.00	\$361,334.40
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Time Extension						42 Days
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## Change Order

<b>PROJECT (Name and address):</b> Frederick Douglass High School Refurbishment 3820 St. Claude Avenue New Orleans, LA 70117	<b>CHANGE ORDER NUMBER:</b> 004 <b>DATE:</b> February 12, 2014	<b>OWNER:</b> <input checked="" type="checkbox"/> <b>ARCHITECT:</b> <input checked="" type="checkbox"/> <b>CONTRACTOR:</b> <input checked="" type="checkbox"/> <b>FIELD:</b> <input type="checkbox"/> <b>OTHER:</b> <input type="checkbox"/>
<b>TO CONTRACTOR (Name and address):</b> FHP Techtonics Corp 2411 Edenborn Avenue Metairie, LA 70001	<b>ARCHITECT'S PROJECT NUMBER:</b> 12007 <b>CONTRACT DATE:</b> May 28, 2013 <b>CONTRACT FOR:</b> General Construction	

**THE CONTRACT IS CHANGED AS FOLLOWS:**

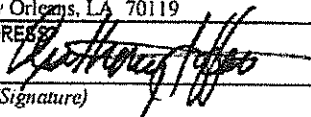

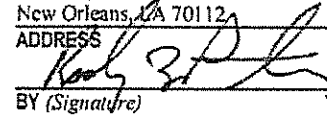
(Include, where applicable, any undisputed amount attributable to previously executed Construction Change Directives)  
See Attachment "A" to Change Order No. 004, dated February 12, 2014, attached herewith.

The original Contract Sum was	\$ 8,588,000.00
The net change by previously authorized Change Orders	\$ 213,343.42
The Contract Sum prior to this Change Order was	\$ 8,801,343.42
The Contract Sum will be increased by this Change Order in the amount of	\$ 378,871.98
The new Contract Sum including this Change Order will be	\$ 9,180,215.40

The Contract Time will be increased by Two-Hundred Twenty Two (222) days.  
The date of Substantial Completion as of the date of this Change Order therefore is as stipulated in Attachment "A".

**NOTE:** This Change Order does not include changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

**NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.**

<u>VergesRome Architects, APAC</u> <b>ARCHITECT (Firm name)</b>	<u>FHP Techtonics Corp</u> <b>CONTRACTOR (Firm name)</b>	<u>Louisiana Department of Education</u> <b>OWNER (Firm name)</b>
320 N. Carrollton Avenue Suite 100 New Orleans, LA 70119 <b>ADDRESS</b>	2411 Edenborn Avenue Metairie, LA 70001 <b>ADDRESS</b>	Recovery School District 1615 Poydras Street, Suite 1400 New Orleans, LA 70112 <b>ADDRESS</b>
 <b>BY (Signature)</b>	 <b>BY (Signature)</b>	 <b>BY (Signature)</b>
Anthony J. Taffaro, A.I.A. <b>(Typed name)</b>	Chris Hase <b>(Typed name)</b>	Rodney Painting <b>(Typed name)</b>
February 12, 2014 <b>DATE</b>	FEBRUARY 12, 2014 <b>DATE</b>	18 FEB 2014 <b>DATE</b>



RECEIVED

FEB 14 2014

DOCUMENT CONTROL

# Change Order

PROJECT: Douglass HS - Refurb  
3819 St. Claude Avenue 70117  
PROJECT NO: 2012868

Change Order: 004  
Date: 1/8/2014

Format B: Must include line item scope and separate pricing for labor, material, profit, insurance

**How may this scope have been unforeseen/hidden condition from the original scope of work?**

The GC was preparing to begin the window replacement work, a sample window was removed to expose the existing conditions. During this activity, a second "inner layer" of caulk was uncovered. While the first "outer layer" of caulk was previously tested and found to be free of hazardous materials, the second layer was unforeseen and subsequent tests determined that the caulk consisted of Regulated Asbestos Containing Material (RACM). The original scope of work for this project consisted of the complete removal and replacement of the exterior wood windows in the occupied school.

**How change order scope is necessary?**

After exploring several different options with the Contractor it was determined that the safest course of action would be to complete the asbestos abatement work during the summer while the school is unoccupied. There are some increased costs associated with summer work. The window of time when the school is unoccupied requires more manpower and extended hours in order to abate the asbestos and complete the window installation before the students return. Consideration has been given to the possibility of bidding this work out separately and it has been determined that since the Contractor has already procured the windows the credit for removing the windows from the scope and the added time and expense associated with the bidding process does not benefit the District.

**Are these changes within the contract original scope?**

These changes are within the contracts original scope in accordance with La. Rev. Stat. 38:2212

**How were these prices determined? Did you consider rebidding? If not explain.**

Prices were determined using comparative analysis between the proposal supplied by the contractor and the architect's reasonable cost index for the quantity of work described in the change order. This change order has been reviewed for cost reasonableness, time changes and validity. Consideration has been given to the possibility of bidding this change order scope of work out separately and it has been determined the added time associated with the procurement process does not benefit the District in opening schools in a timely manner as indicated in the Master Plan. Additionally, there would be costs associated with bidding this scope of work out that would drastically increase due to the advertisement costs, the bidding phase fee of the Architect as allowed by their contract, the reproduction costs associated with the bidding documents, the additional service of the Architect managing multiple projects, added costs of the lower bidder to handle the general conditions and bid bond, there would be conflicts with insurance coverage, site access and project controls, and the additional costs of the general contractor currently under contract to add to their extended overhead cost for time extension due to changes out of their control. There would be issues regarding the systems not having a valid or multiple warranties due to multiple contracts completing the work.

**DESCRIPTION OF CHANGES**

PCO	Description	Labor	Material	Equipment	OH&P	Insurance/Bonds	Amount
GC042							
001	COR# 049 Asbestos removal Summer 2014 - Window and Storefront replacements					\$	684,769.78
	Total For PCO: GC042	\$427,585.6	\$ 62,221.65	\$ 18,423.71	\$86,234.89	\$ 90,303.89	\$684,769.78
GC043							
001	COR# 054 Credit for flood gates and FRP materials at the gymnasium; Repair the existing 10in RCP					(\$	305,897.80)
	Total For PCO: GC043	(\$173,525.3)	(\$ 133,913.68)	\$ 488.27	\$ 1,052.98	\$ 0.00	(\$305,897.80)
	Total:	\$ 254,060.27	(\$71,692.03)	\$ 18,911.98	\$ 87,287.87	\$ 90,303.89	\$378,871.98

Detailed subcontract change orders grouped by each subcontract change order number.