

Office of Facilities Design and Construction
Raul F. Perez, Chief Facilities Design and Construction Officer

SUBJECT: INITIAL **READING: PROPOSED AMENDMENTS TO
SCHOOL BOARD POLICY 6345, CHANGE ORDERS**

COMMITTEE: **FACILITIES AND CONSTRUCTION**

**LINK TO STRATEGIC
PLAN:** **EFFECTIVE & SUSTAINABLE OPERATIONAL PRACTICES**

Board Policy 6345, Change Orders, is proposed for amendment pursuant to staff's recommendations. The proposed amendment specifies that all change orders be brought to the Board and those exceeding \$50,000 be presented for Board approval. The proposed amendment specifies that only change orders exceeding \$200,000 provided the cumulative total of all approved change orders for a single construction contract does not increase the original construction contract amount by more than 20% be presented to the Board for approval and that all change orders under that established threshold be reported on a semi-annual basis to the Board at a regular meeting and be entered in its official minutes.

The policy amendment was drafted in collaboration with, and reviewed by the Superintendent, Office of General Counsel, Cabinet, and District staff. The Notice of Intended Action and policies with strikethroughs and underlines are attached.

F-43

RECOMMENDED:

That The School Board of Miami-Dade County, Florida, authorize the Superintendent to initiate rulemaking proceedings in accordance with the Administrative Procedure Act to amend Board Policy, 6345, Change Orders.

RFP:av

NOTICE OF INTENDED ACTION

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, announced on March 15, 2023, its intention to amend Board Policy 6345, *Change Orders*, at its meeting of April 19, 2023.

PURPOSE AND EFFECT: Board Policy 6345, *Change Orders* is proposed for amendments pursuant to a staff recommendation.

SUMMARY: Board Policy 6345, *Change Orders*, is proposed for amendment pursuant to staff's recommendations. The proposed amendments specify that the Superintendent may approve and execute any construction contract change order item that will decrease the construction contract amount or increase the construction contract amount by up to \$200,000.00, provided that the cumulative total of all approved change orders for a single construction contract does not increase the original construction contract amount by more than 20%, if approval is in the best interest of the School Board. The proposed amendments also require that all change orders below the established threshold and approved by the Superintendent be reported on a semi-annual basis to the Board at a regular meeting and entered into the official minutes of the Board. Change orders above the threshold amount must be recommended to the Board for approval, presented at the next regular meeting of the Board, and entered into the official minutes of the Board. Finally, the proposed amendments authorize the Superintendent to approve and execute any change order to a construction contract that will change the construction contract time, which shall be reported to the Board semi-annually at a regular meeting and entered into the official minutes of the Board.

SPECIFIC LEGAL AUTHORITY UNDER WHICH RULEMAKING IS AUTHORIZED: Fla. Stat. ss. 1001.32(2); 1001.41(1), (2); 1001.42(11), (12); 1001.43(2), (4).

LAWS IMPLEMENTED INTERPRETED OR MADE SPECIFIC: Fla. Stat. s. F.S. 1013.48; Fla. Admin. Code r. 6A-2.0010; SREF 4.2(5).

IF REQUESTED, A HEARING WILL BE HELD DURING SCHOOL BOARD MEETING OF April 19, 2023, which begins at 1:00 p.m., in the School Board Auditorium, 1450 N.E. Second Avenue, Miami, Florida 33132. Persons requesting such a hearing or who wish to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower cost regulatory alternative as provided in Section 120.54(1), F.S., must do so in writing by April 11, 2023, to the Superintendent, Room 912, at the same address.

ANY PERSON WHO DECIDES TO APPEAL THE DECISION made by the School Board of Miami-Dade County, Florida, with respect to this action will need to ensure the preparation of a verbatim record of the proceedings, including the testimony and evidence upon which the appeal is to be based. (Section 286.0105, Florida Statutes)

COPIES OF THE PROPOSED AMENDED POLICY are available at cost to the public for inspection and copying in the Citizen Information Center, Room 158, 1450 N.E. Second Avenue, Miami, Florida 33132.



Book Policy Manual
Section March 15, 2023 - Initial Reading
Title CHANGE ORDERS
Code 6345
Status Initial Reading

6345 - **CHANGE ORDERS**

I. Change Orders up to \$200,000 or 20% of Contract Amount

The Superintendent may approve and execute any construction contract ~~Change Order~~change order item that will decrease the construction contract amount or increase the construction contract amount by up to \$50,000~~200,000.00 or less~~ provided that the cumulative total of all approved change orders for a single construction contract does not increase the original construction contract amount by more than 20%, or that will decrease the construction contract amount, if approval is in the best interest of the School Board. These change orders shall be binding upon execution by the Superintendent. All approved change orders below this threshold amount and approved by the Superintendent shall be reported to the Board semi-annually at a regular meeting and entered into the official minutes of the Board. The Superintendent shall report each approved change order to the Board at the Board meeting following approval. The Superintendent's approval of the change order shall be entered into the official minutes of the Board.

II. Change Orders Exceeding \$200,000 or 20% of Contract Amount

The Superintendent shall recommend to the Board for its review and approval any change order item to a construction contract that will increase the construction contract amount by more than 20% or \$50,000~~200,000.00, whichever is less~~. The Such change orders shall not be binding unless and until it is approved by the Board. The Superintendent shall present each change order item exceeding this threshold to the Board for approval at the next regular meeting and, if approved, such change orders shall be entered in the official meeting minutes of the Board.

A proposed change to the construction contract shall not be split so that the resulting change order item does not exceed the ~~\$50,000~~200,000.00 limit established by this policy.

III. Change Orders Altering Construction Contract Time

The Superintendent ~~shall recommend to the Board for its review and approval~~may approve and execute any change order to a construction contract that will change the construction contract time. The change order shall ~~not be binding unless and until it is approved by the Board~~upon execution by the Superintendent and shall be reported to the Board semi-annually at a regular meeting and entered into the official minutes of the Board.

IV. Accountability and Internal Review

For accountability, the school district shall monitor and report the impact of change orders on its district educational facilities plan pursuant to s. 1013.35, F.S.

The Technical Review Committee (TRC) shall review and recommend to the Superintendent any construction change orders which exceed the total appropriation for the particular project.

The TRC shall review and recommend to the Superintendent and to the Board construction change orders if funds are available in project contingency, except that change orders ~~of less than \$50,000~~described in Section I of this policy may be approved administratively by the Superintendent and subsequently confirmed by the TRC.

All change orders to construction contracts shall comply with Florida statutes and the State Requirements for Educational Facilities both in form and content.

Effective 7/1/11

Legal References: F.S. 1013.48
 F.A.C. 6A-2.0010
 SREF 4.2(5)

Adoption Date: **05.11**

Classification:

Revised Dates: ;