

RESOLUTION NO. 1767

A RESOLUTION OF THE COUNCIL OF THE CITY OF CARTHAGE, MISSOURI AUTHORIZING THE APPROVAL OF CHANGE ORDERS FOR CONSTRUCTION CONTRACTS UNDER CERTAIN CIRCUMSTANCES AND ESTABLISHING A PROCEDURE FOR CITY COUNCIL REVIEW.

WHEREAS, change orders which are revisions to a construction contract are an integral part of construction contracts administered by the City; and

WHEREAS, decisions on change orders must often be made immediately to allow the contractor to continue with the work with a minimum of administrative delay; and

WHEREAS, no payment shall be made or obligation incurred against any allotment or appropriation except in accordance with appropriations duly made and unless there is a sufficient unencumbered balance in such allotment or appropriation and that sufficient funds therefrom are or will be available to cover the claim or meet the obligation when it becomes due and payable; and

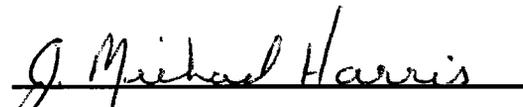
WHEREAS, Any information which is available in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual action of the parties to the contract; and

WHEREAS, the City of Carthage desires to establish a formal policy and procedure which would allow the Mayor to approve change orders under certain circumstances;

NOW, THEREFORE BE IT RESOLVED, BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI, that Attachment A, titled CHANGE ORDER POLICY, is hereby adopted.

PASSED AND APPROVED THIS 10th DAY OF November, 2015.

Attest:



J. Michael Harris, Mayor



Lynn Campbell, City Clerk

ATTACHMENT A
CONSTRUCTION CHANGE ORDER POLICY

1. Construction Change Orders result from unforeseen or changed conditions; added or deleted scopes of work; or design errors or omissions. A change order is only appropriate to change a project in a manner consistent with the original bid specifications.
2. **Construction change orders** generally must meet all of the following criteria:
 - a. The modified job will consist essentially of the same work in the same general location as the original contract.
 - b. The project, as ultimately constructed, will be essentially the same as the original project.
 - c. The change order will not alter the nature of the project.
3. The Mayor may approve and sign construction contract construction change orders subject to the following four conditions:
 - a. The change order does not substantially change the scope of the project.
 - b. The total increase or decrease in the contract amount, as a result of the change order, does not exceed fifteen percent (15%) for contracts under \$100,000 or ten percent (10%) for contracts over \$100,000 of the total costs stated in the original approved contract; provided however that no individual change order shall exceed \$15,000.
 - c. The total contract amount as adjusted by the change order is within the amount budgeted for the project or the Budget Officer has approved a budget adjustment.
 - d. The approved change order is presented at the next regularly scheduled Council meeting so that the Council is informed of relevant actions.
4. If the change order is unable to meet the conditions as outlined above, the Mayor shall submit the change order to the City Council for approval. The City Council must approve any change order that increases a project's cost beyond previously approved budget appropriations.
5. **Field change orders** may be approved by the Public Works Director, Mayor, or City Administrator. Field Changes are those changes that are of limited scope, impact, complexity and cost.
 - a. Field changes cannot have ripple effects on designs (i.e. structural impediment), redirect storm flows, redirect permanent traffic patterns, etc. Field Changes require an agreement between the contractor and the City or Engineer prior to execution of the work and must represent a resolution to the cause of the change.
 - b. Field Changes for any one project may aggregate to \$5,000.00 maximum. If the limit on minor field changes is exceeded, no further field changes are authorized.
6. In **emergency situations**, the Mayor, City Administrator or Department Head may issue a change order beyond the authority limits described above in order to:
 - a. prevent interruption of the work which would result in a substantial increase in the cost to, or liability of, the City; or
 - b. protect the work, equipment, material to be used in the work, human safety, or the environment at or near the work from substantial and immediate danger or injury;or

- c. protect, where damage or injury has occurred, work, equipment or materials to be used in the work, human safety, or the environment at or near the site of the work from further or additional damage or injury or deterioration.

The Mayor, City Administrator or Department Head shall have the authority to issue change orders in such sums as is reasonably necessary for such emergency purposes. After issuing a change order in an emergency situation described above, the Mayor, City Administrator or the Department Head shall report such action and the reasons therefor to the City Council in writing as soon thereafter as is practical.