



January 26, 2018

To: Neah-Kah-Nie School District  
Attn: Paul Erlebach, Superintendent  
Project: Neah-Kah-Nie Track & Field and Concession/Restroom Building  
RE: P&C Change Order Request #03 - Contract Allowance Adjustment

As a supplement to P&C Change Order #03 that requests an allowance adjustment to the contract amount specifically related to the cost of the Concessions/Restroom Building, I wish to offer the following:

1. It was outlined at school board meeting prior to executing the contract in June 2017 that the \$90,000 number is an anticipated cost for a design-build building that provides two (2) restrooms, a concessions area, and a covered area outside of concessions. It was noted that Romtec structure outlined in bid documents was the basis of such. However, the final version constructed by P&C would not match nor follow precisely the plans and specifications provided by Romtec.
2. In accordance with Article 4.4 of the AIA A101 -2007 Contract Agreement executed between P&C and the district, an Allowance of \$90,000 was included in the contract sum for all work related to the new Restroom/Concession Building.
3. In accordance with Article 8.6.2 of the AIA A101 -2007 Contract Agreement executed between P&C and the district, the \$90,000 allowance scope and process for the Concessions/Restroom building was further defined. On July 20, 2018 P&C presented a design for District review and approval that we interpreted as meeting the intent of providing a building that met the intent of the requirements, but one not in strict accordance with plans and specifications of the Romtec design. The District rejected this proposal and directed P&C to refine the design to be in near strict conformance of the bid documents provided by Romtec. P&C proceeded as such in good faith that District would reimburse P&C fully for actual cost based on the means to adjust an allowance per the contract.
4. In accordance with section 3.8.2.3 in the General Conditions of the Contract for Construction, "Whenever costs are more or less than allowances, the Contract Sum shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under section 3.8.2.1 and (2) Changes in Contractor's costs under Section 3.8.2.2 (Note: please refer to contract for text related to 3.8.2.1 and 3.8.2.2)
5. P&C made the project team aware as final design, permitting, and construction progressed on the structure that cost would exceed \$90,000 as subcontractor bids were received by P&C and additional design elements above required scope were requested by the school district and incorporated.

(continued on next page)

6. P&C provided the district with cost-saving options on a variety of track and field features throughout the construction that would have provided needed funds to pay for any allowance overage while staying within the contract sum without a need for this Change Order. Such options were reviewed by the project team and not incorporated into the final project scope.
7. I have analyzed the Romtec design and anticipated final construction costs for all materials, components, and subcontractors necessary to construct a Romtec Concessions/Restroom building as outlined on the design documents, and on the high school site during the summer of 2017. Such total cost falls between \$185,000 and \$190,000.

The items listed above identify the process and contractual facts that provide a basis for P&C's Change Order #03 to adjust the Allowance for the Concessions/Restroom building. However, I welcome the opportunity to review further with the project team and respond to any questions that may be presented.

Sincerely,



Steve Anderson, *Vice President*

cc: Ryan Kelley – P&C Construction



2133 NW York Street  
 Portland, OR 97210-2108  
 503) 665-0165  
 fax 503) 667-2565

## Change Order Request (COR)

PROJECT: Neah-Kah-Nie HS Track Project  
 P&C Job #: 17005-

DATE: 1/26/2018  
 PREPARED BY: Ryan Kelley

COR No. 7 PR Title: NKNT Restroom/Concession Allowance Reconciliation  
 RFI Ref No. Arch Ref No.

SCOPE OF WORK:  
 Allowance adjustment per contract

**Item # 1 NKNT Allowance Adjustment**

P & C Costs	Amount
<b>MATERIAL</b>	
RR / Concession Building	-90,000
ITEM 1 P&C TOTAL	\$ -90,000
ITEM 1 SUBCONTRACTOR TOTAL	\$ 0
Subtotal Item 1	-90,000

**Item # 2 NKNT Allowance Usage**

P & C Costs	Amount
<b>MATERIAL</b>	
RR / Concession Building	132,364
ITEM 2 P&C TOTAL	\$ 132,364
ITEM 2 SUBCONTRACTOR TOTAL	\$ 0
Subtotal Item 2	132,364
Total For Items:	42,364

Insurance	0.00%	0
Contractor Fee	0.00%	0

ADDITIONAL DAYS 0

**Total For Change Order** \$ 42,364

Approved By: Neah Kah Nie School District

Submitted By: P & C Construction

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# AIA<sup>®</sup> Document G701<sup>™</sup> – 2017

## Change Order

<b>PROJECT:</b> <i>(Name and address)</i> NKN High School Track Improvements 24705 Hwy 101 N Rockaway Beach, Oregon 97136	<b>CONTRACT INFORMATION:</b> Contract For: General Construction Date: May 25, 2017	<b>CHANGE ORDER INFORMATION:</b> Change Order Number: 003 Date: January 26, 2018
<b>OWNER:</b> <i>(Name and address)</i> Neah-Kah-Nie School District 504 North Third Avenue Rockaway Beach, Oregon 97136	<b>ARCHITECT:</b> <i>(Name and address)</i> Cameron McCarthy LLP 160 East Broadway Eugene, Oregon 97401	<b>CONTRACTOR:</b> <i>(Name and address)</i> P&C Construction Company 2133 NW York Street Portland, Oregon 97210

**THE CONTRACT IS CHANGED AS FOLLOWS:**

*(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)*

COR 7 – Allowance Adjustment - \$42,364

NOTE: Please see P&C letter dated 1/26/18 and P&C COR-7 dated 1/26/18 for an explanation of this Allowance Adjustment.

The original Contract Sum was	\$ 2,422,703.00
The net change by previously authorized Change Orders	\$ 110,897.00
The Contract Sum prior to this Change Order was	\$ 2,533,600.00
The Contract Sum will be increased by this Change Order in the amount of	\$ 42,364.00
The new Contract Sum including this Change Order will be	\$ 2,575,964.00

The Contract Time will be increased by Seventeen (17) days.

The new date of Substantial Completion will be September 21, 2017 for the track and October 26, 2017 for the Concessions/Restroom Structure. NOTE: The date of October 26, 2017 for the Concession/Restroom Structure aligns with temporary Certificate of Occupancy issued by Tillamook County Building Department on 10/26/17.

**NOTE:** This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that 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.**

Cameron McCarthy Landscape  
Architecture & Planning, LLP

P&C Construction Company

Neah-Kah-Nie School District

\_\_\_\_\_  
**ARCHITECT** *(Firm name)*

\_\_\_\_\_  
**CONTRACTOR** *(Firm name)*

\_\_\_\_\_  
**OWNER** *(Firm name)*

\_\_\_\_\_  
**SIGNATURE**

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