This flat form is for project manual purposes only and is not intended to be used for direct submittal purposes.

DCM Form B-11
August 2021

TO: **Alabama Department of Finance**
Real Property Management
Division of Construction Management
770 Washington Avenue, Suite 444
Montgomery, Alabama 36104
(334) 242-4082 FAX (334) 242-4182

CHANGE ORDER JUSTIFICATION

Purpose and instructions on next page.
Do not staple this form and/or attachments; use clips.

Change Order No. _____

Date: _____

DCM (BC) No. _____

(A)

PROJECT NAME & LOCATION:	OWNER ENTITY NAME & ADDRESS:
CONTRACTOR COMPANY NAME & ADDRESS:	ARCHITECTURAL / ENGINEERING FIRM NAME & ADDRESS:

(B) **DESCRIPTION OF PROPOSED CHANGE(S):** **ATTACH CONTRACTOR'S DETAILED COST PROPOSAL(s)**

AMOUNT: ☐ **ADD** ☐ **DEDUCT $_____** **TIME EXTENSION: _____ CALENDAR DAYS**

(C)

ORIGINAL CONTRACT AMOUNT		PREVIOUS C.O.'s _____ THRU _____		CONTRACT AMOUNT PRIOR TO PROPOSED CHANGE ORDER
$_____	+	$_____	=	$_____

(D) **JUSTIFICATION FOR NEED OF CHANGE(S):**

(E) **JUSTIFICATION OF CHANGE ORDER vs. COMPETITIVE BID:**

(F) **ARCHITECT / ENGINEER'S EVALUATION OF PROPOSED COST:**

(G)

CHANGE ORDER RECOMMENDED	CHANGE ORDER JUSTIFIED AND APPROVED
_____ ARCHITECTURAL / ENGINEERING FIRM NAME	_____ LOCAL OWNER ENTITY NAME
By: _____ ARCHITECT / ENGINEER'S SIGNATURE	By: _____ OWNER'S SIGNATURE
By: _____ OWNER'S PROJECT REPRESENTATIVE'S SIGNATURE	By: _____ OWNER'S LEGAL COUNSEL'S SIGNATURE

CHANGE ORDER JUSTIFICATION: PURPOSE and INSTRUCTIONS

PURPOSE

The awarding of work through an existing contract may potentially conflict with, or violate, the "Competitive Bid Laws" of the State of Alabama. **The determination of legality of Change Orders rests with the Awarding Authority and its legal advisor.** In a June 15, 1979, Opinion, the Office of the Attorney General offered guidelines for making such determinations in conjunction with considering the facts and merits of each situation. The purpose of the CHANGE ORDER JUSTIFICATION is to provide a means through which the Awarding Authority considers these guidelines and the intent of the "Competitive Bid Laws" when authorizing Change Orders. Pursuant to these guidelines, the following types of changes meet the criteria for awarding work through Change Orders in lieu of through the Competitive Bid process:

I. Minor Changes for a monetary value less than required for competitive bidding.

II. Changes for matters relatively minor and incidental to the original contract necessitated by unforeseeable circumstances arising during the course of the work.

III. Emergencies arising during the course of the work of the contract.

IV. Bid alternates provided for in the original bidding where there is no difference in price of the change order from the original best bid on the alternate.

V. Changes of relatively minor items not contemplated when the plans and specifications were prepared and the project was bid which are in the public interest and which do not exceed 10% of the contract price.

Under these guidelines the cumulative total of Change Orders, including any negotiations to bring the original contract price within the funds available, would become questionable if the total of such changes and negotiations exceed 10% of the original contract price. These guidelines are not intended to interfere with the Awarding Authority's good faith discretion to respond to specific situations in the public's best interest. If the cumulative change order amount exceeds 10% of the original contract amount then the Owner's legal consultant must sign the Change Order Justification prior to submission to the Division of Construction Management (DCM).

INSTRUCTIONS

The CHANGE ORDER JUSTIFICATION is to be prepared by the design professional, who has evaluated the fairness and reasonableness of the proposed cost of the change(s) and recommends that the proposed Change Order be executed. The fully executed Form B-11: CHANGE ORDER JUSTIFICATION must accompany the proposed DCM Form C-12: Change Order. Instructions for completing the B-11 form are:

1. Insert the proposed Change Order Number, date of the Justification, and DCM (BC) Project Number in the spaces provided in the upper right-hand corner.

2. **Section (A):** Insert the complete name and address of the PROJECT, OWNER, CONTRACTOR, AND ARCHITECT/ENGINEER.

3. **Section (B)**: Provide a complete description of the proposed changes in work, referring to and attaching revised specifications and/or drawings as appropriate. An attachment may be used if additional space is needed, but insert the proposed amount and time extension of the change(s) in the spaces provided. **Attached a copy of the contractor's detailed cost proposal.**

4. **Section (C**): Insert the Original Contract amount, the net increase or decrease of previous Change Orders, and the Current Contract amount (preceding the currently proposed Change Order).

5. **Section (D):** Explain why it is necessary, or in the public's interest, to make the proposed change(s) to the Work.

6. **Section (E)**: Explain why award of the changed work to the existing contractor instead of awarding the work under the competitive bid process is justified.

7. **Section (F)**: The design professional must state his evaluation of the reasonableness and fairness of the proposed costs based upon his review of the contractor's proposal.

8. **Section (G)**: The design professional must recommend the Change Order to the Owner by signing the document; the Owner may require such recommendation from other individuals. The Owner must sign the document indicating that they believe change order action in lieu of the competitive bid process is justified for the proposed change(s). **Review of the matter and signing of the document by the Owner's legal counsel is highly recommended. If the cumulative change order amount exceeds 10% of the original contract amount then the Owner's legal consultant must sign the Change Order Justification prior to submission to DCM.**