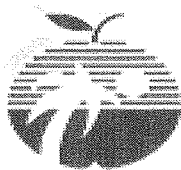


**INTERNAL AUDIT REPORT**

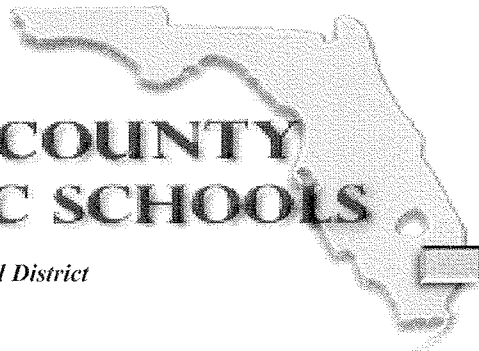
**Current Status Update of the Review of the Cypress Elementary  
School Project #1781-24-01/P000346 New Food Service Building,  
Renovations and Site Improvements**

**October 2013**



**BROWARD COUNTY  
PUBLIC SCHOOLS**

*The Nation's Sixth Largest School District*



**To be presented to the:**

**Audit Committee on  
October 10, 2013**

**The School Board of Broward County, Florida on  
November 5, 2013**

**By**

**The Office of the Chief Auditor**



# *Broward County Public Schools*

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Office of the Chief Auditor  
Patrick Reilly, Chief Auditor  
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October 1, 2013

Members of The School Board of Broward County, Florida  
Members of The School Board Audit Committee  
Robert W. Runcie, Superintendent of Schools

Ladies and Gentlemen:

This Current Status Update of the Review of the Cypress Elementary School Project No. 1781-24-01/P000346 New Food Service Building, Renovations and Site Improvements issued in June 2012, was performed in accordance with the 2013-2014 Audit Plan. The report consisted of a review of the Current Status responses from management and analysis of the supporting documentation associated with their reported actions to date. The objective of this audit was to review Current Status responses from the Office of Facilities & Construction (OF&C) formerly known as Facilities & Construction Management (F&CM) Division and report the results and actions to the Audit Committee and the School Board; review and analyze actions taken to address the findings and recommendations in the original audit report and document the rationale for noted actions; determine whether or not OF&C followed the recommendations to deny the Construction Manager, Hewett-Kier any payment for delay claims and allow the Construction Manager non-compensable days to complete the project; review and report on procedural internal control weaknesses identified in the original audit report; document organizational or procedural changes associated with the previously identified items; and to report recommendations to the administration, if needed.

Our Current Status of the Review of the Cypress Elementary School Project 1781-24-01/P000346 New Food Service Building, Renovations and Site Improvements contains updates from the OF&C on our recommendations from the original audit. Of the original three (3) findings, it is the opinion of the Office of the Chief Auditor (OCA) that one finding is open (#1), Finding #2 is incomplete, and Finding #3 is implemented, but not in use.

In Finding #1 in the original Audit Report, OCA recommended that OF&C should deny the Construction Manager, Hewett-Kier any payment for delay claims (compensation for Extended General Conditions). In this Current Status, we documented that OF&C has prepared a proposed Construction Change Order-Item # 21 which is intended to seek School Board approval to pay the Construction Manager, Hewett-Kier \$253,501.00 as compensation for 247 days of Extended General Conditions. OCA disagrees with this payment for reasons documented in the original Audit Report and the Current Status Matrix. As OF&C is intent on paying the Construction Manager and OCA maintains that no payment for delay claims should be made, it was the opinion of OCA that the resolution and disposition of this issue needed to be made by the Office of the General Counsel.

Subsequent to the completion of this Current Status Report, the Office of the General Counsel was requested to provide a legal opinion regarding the Construction Manager's delay claims and associated compensation. On September 27, 2013 the OCA received the Office of the General Counsel's Legal Opinion Memorandum (see pages 35-37) that affirmed the OCA's recommendation to deny the Construction Manager's delay claims and associated compensation. In consideration of the Office of the General Counsel's Legal Opinion Memorandum, OCA recommends the Office of the General Counsel consider pursuing Liquidated Damages due to the Construction Manager's failure to complete the project within the time set forth in the contract documents.

This report will be presented to the Audit Committee at its October 10, 2013 meeting and will be presented to the School Board at its November 5, 2013 meeting.

Sincerely,

A handwritten signature in cursive script that reads "Patrick Reilly".

Patrick Reilly, CPA  
Chief Auditor  
Office of the Chief Auditor

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## EXECUTIVE SUMMARY

### Scope and Methodology

This Current Status Update of the Review of the Cypress Elementary School Project No. 1781-24-01/P000346 New Food Service Building, Renovations and Site Improvements issued in June 2012, was performed in accordance with the 2013-2014 Audit Plan. The report consisted of a review of the Current Status responses from management and analysis of the supporting documentation associated with their reported actions to date. The objective of this audit was to:

- Review Current Status responses from the Office of Facilities & Construction (OF&C) formerly known as Facilities & Construction Management (F&CM) Division and report the results and actions to the Audit Committee and the School Board;
- Review and analyze actions taken to address the findings and recommendations in the original audit report and document the rationale for noted actions;
- Determine whether or not OF&C followed the recommendations to deny the Construction Manager, Hewett-Kier any payment for delay claims and allow the Construction Manager non-compensable days to complete the project;
- Review and report on procedural internal control weaknesses identified in the original audit report;
- Document organizational or procedural changes associated with the previously identified items;
- Report recommendations to the administration, if needed.

Our audit was conducted in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. The aforementioned standards require that we plan and perform the audit to ensure a reasonable basis for our judgments and conclusions regarding the function under audit. An audit includes assessments of applicable controls and compliance with the requirements of laws, rules and regulations when necessary to satisfy the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

It is our responsibility to perform the review under generally accepted auditing standards and Government Auditing Standards, as well as provide recommendations to improve operations, strengthen internal controls and ensure compliance with the requirements of laws, rules and regulations in matters selected for review. It is the administration's responsibility to implement recommendations, to maintain an internal control environment conducive to the safeguarding of District assets and to preserve the District's resources, and to comply with applicable laws, regulations and School Board policies.

The procedures used to satisfy our objectives in this audit included the following:

- Request and review Current Status Update responses from management;
- Review correspondence and contract documents used to administer the contracts associated with construction projects noted in the original report;
- Review and analyze the OF&C rationale relating to payment or nonpayment to the Construction Manager for delay claim submitted by the Construction Manager
- Review and analyze newly implemented process established to prevent issuance of Notice To Proceed (NTP) when it is known that permitted plans are going to be revised
- Review and analyze procedures for processing Construction Change Directives (CCDs) to determine if CCDs are processed in a timely manner

- Review language in executed construction agreements and compare to any documented follow up actions on the part of OF&C for all construction related projects noted in the original audit report;
- Interview staff, correspond electronically to request specific documentation required to verify actions and document rationale for the same;
- Review project file documents, plans and specifications, email correspondence, meeting minutes and construction contract agreements;
- Perform other auditing procedures as deemed necessary.

### **Opinion and Summary of Results**

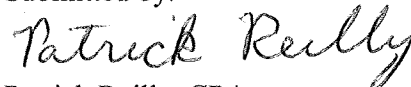
Our Current Status of the Review of the Cypress Elementary School Project 1781-24-01/P000346 New Food Service Building, Renovations and Site Improvements contains updates from the OF&C on our recommendations from the original audit. Of the original three (3) findings, it is the opinion of the Office of the Chief Auditor (OCA) that one finding is open (#1), Finding #2 is incomplete, and Finding #3 is implemented, but not in use.

In Finding #1 in the original Audit Report, OCA recommended that OF&C should deny the Construction Manager, Hewett-Kier any payment for delay claims (compensation for Extended General Conditions). In this Current Status, we documented that OF&C has prepared a proposed Construction Change Order-Item # 21 which is intended to seek School Board approval to pay the Construction Manager, Hewett-Kier \$253,501.00 as compensation for 247 days of Extended General Conditions. OCA disagrees with this payment for reasons documented in the original Audit Report and the Current Status Matrix. As OF&C is intent on paying the Construction Manager and OCA maintains that no payment for delay claims should be made, it was the opinion of OCA that the resolution and disposition of this issue needed to be made by the Office of the General Counsel.

Subsequent to the completion of this Current Status Report, the Office of the General Counsel was requested to provide a legal opinion regarding the Construction Manager's delay claims and associated compensation. On September 27, 2013 the OCA received the Office of the General Counsel's Legal Opinion Memorandum (see pages 35-37) that affirmed the OCA's recommendation to deny the Construction Manager's delay claims and associated compensation. In consideration of the Office of the General Counsel's Legal Opinion Memorandum, OCA recommends the Office of the General Counsel consider pursuing Liquidated Damages due to the Construction Manager's failure to complete the project within the time set forth in the contract documents.

We would like to thank the OF&C and all District personnel who aided in the completion of this report.

Submitted by:



Patrick Reilly, CPA  
Chief Auditor  
Office of the Chief Auditor

Audit performed by:  
Robert Goode  
Gerardo Usallan  
Joe Wright

**SECTION I**  
**CURRENT STATUS MATRIX**



CYPRESS ELEMENTARY CURRENT STATUS MATRIX		
Findings	Recommendation	Management Response
<p><b>Condition #1:</b></p> <p>The Construction Manager, the Project Consultant, as well as F&amp;C staff, did not adequately manage the Cypress Elementary School New Food Service Building, Renovations and Site Improvements Project #1781-24-011P000346. The project is currently being built under a Construction Management at Risk delivery method. The Construction Manager is requesting an extension of contract time and additional fees per Article 25 (2) of the Agreement, which states "The Construction Manager shall be paid an additional fee should the duration of the construction stipulated herein for Final Completion extend beyond the approved final completion date, 19 months after the Notice to Proceed, due to no fault of the Construction Manager. The Construction Manager's additional Construction Phase Fee and General Conditions set forth in Article 7.01 of</p>	<p>It is the recommendation of the Office of the Chief Auditor that F&amp;C should deny the Construction Manager, Hewitt-Kier, any payment for delay claims (compensation for Extended General Conditions) for 221 days at a cost of \$198,900 (request was increased to Agreement terms amounting to \$276,250).</p> <p>We also recommend that F&amp;C should allow the Construction Manager 221 non-compensable days to complete the Cypress Elementary Project.</p>	<p><b>Administrative Response – Facilities &amp; Construction Management Division June 12, 2012:</b></p> <p>In Finding #1, the Office of the Chief Auditor (OAC) recommended that the Construction Manager, Hewitt-Kier be denied payment for extended General Conditions. Facilities and Construction Management (F&amp;C), in conjunction with two independent cost and scheduling consultants analyzed the project data, including schedules and pay applications, and concluded that the Construction Manager (CM) is entitled to Extended General Conditions for the following reasons:</p> <p>Hewitt-Kier was unable to complete the project within the originally scheduled timeframe because the District implemented changes to the scope of work that prevented the CM from meeting the original scheduled date, as identified in the Baseline Schedule and Notice to Proceed (NTP).</p> <p>One of the changes to the original scope occurred via an oral directive to the Project Management Department by the former Deputy Superintendent, that no additional classrooms were to be constructed, including those that were to be generated from remodeled space. As a result, the Project Manager (PM) overseeing the project during the time of the directive, instructed the consultant to stop Phase II. A new scope had to be developed by the Capital Planning Department and once complete, this information was provided to the consultant.</p> <p>In addition, and as detailed in the audit report, District staff requested changes to the permitted site drainage design. The drawings were reviewed and permitted by the Environmental Protection and Growth Management Department and the SBBC's Building Department. The drawings were designed incorporating a rain tank system; however, after the rain events of November and December 2009, the District's Senior Engineer requested a change from rain tanks to retention ponds. This necessitated a redesign and re-permitting through the outside agencies. As a result, the PM requested a fee proposal for the remodeling of the existing space and</p>
		<p><b>Administrative Response – Office of Facilities &amp; Construction Management (formerly Facilities &amp; Construction Management Division) July 17, 2013:</b></p> <p><b>Status –</b> OF&amp;C met with Hewitt Kier, Construction Inc. to discuss mitigating the financial impact of Extended General Conditions as a result of delays to the project duration.</p> <p>Hewitt Kier, Construction, Inc. agreed to swap delay days attributed to the Construction Manager in exchange for excusable delays attributed to unforeseen conditions and Owner delays.</p> <p>In addition, the Construction Manager discounted the daily rate for extended General Conditions from \$1,250/day to a rate of \$1,100 per day.</p> <p>As per the Construction Management Agreement, Non Compensable time applies exclusively to all subcontractors, i.e., NO DAMAGES FOR DELAYS, see ARTICLE 24.14 of the Agreement.</p> <p>In regards to the Construction Manager, the remedy for Delays for the duration of the contract period would be either:</p> <ul style="list-style-type: none"> <li>Extended General Conditions (See ARTICLE 7.1.04) for excusable delays</li> <li>Liquidated Damages for delays attributed to the Construction Manager. (See ARTICLE 5 LIQUIDATED DAMAGES)</li> </ul> <p>The Audit Report did not reference contract language which would lead to a conclusion that the Construction Manager is only entitled to Non-Compensable Delays.</p>
		<p><b>Current Status</b></p>

**CYPRESS ELEMENTARY CURRENT STATUS MATRIX**

Findings	Recommendation	Management Response	Current Status
<p><b>Condition #1 continued:</b></p> <p><i>the Agreement will be \$1,250 per consecutive calendar day, for each day or portion thereof" A discount price of \$900 per day was negotiated and agreed to by F&amp;CM and the Construction Manager; however, after the Change Order was withdrawn from the January 18, 2012 School Board meeting, the Construction Manager withdrew the discounted offer and requested the actual contract rate. The Office of the Chief Auditor disagrees with the Construction Manager's claim that the Construction Manager was not responsible for the failure to complete the entire project in accordance with the Notice to Proceed document and for which they are requesting a delay claim, citing Article 25 of the Agreement.</i></p>		<p>the new drainage design from the consultant.</p> <p>It should be noted that under the current organizational structure, and in an effort to eliminate this reoccurrence, the Senior Engineer was moved to the Building Department, and now reviews drawings during the permitting process.</p> <p>On January 14, 2010, the consultant provided the proposal to staff for the revisions to the remodeling work in the existing space and the permitted site drainage. After several months of negotiation, the board item for additional services was approved on October 5, 2010. The Authorization to Proceed (ATP), with the amended scope of work was issued to the consultant on November 12, 2010.</p> <p>There was an approximate 10-month delay, during which the internal administrative processes of the F&amp;CM Division contributed to the delayed commencement of the design of the proposed plan changes (CSI 7R/drainage and CSI 12Rinterior remodeling).</p> <p>On or about June 5, 2010 the Negotiations for additional design fees was at an impasse as a result of a \$3,300 difference between what was being offered by the owner when compared with the best and final offer by the consultant. The protracted delay in negotiating the design fees and finally the Board approval of the Amendment to the Agreement, a process lasting from January 14, 2010 until October 5, 2010, contributed to the delay in issuing the Authorization to Proceed to the Consultant for the revisions to the Permitted Drawings.</p> <p>F&amp;CM has in place a procedure to have the intervention of the Deputy Superintendent to make the final determination in resolving any negotiating impasse in the future, which may be cause for delays to the Project Schedule.</p> <p>On March 17, 2010, the Consultant, Zelch &amp; McMahon issued a letter to the CM directing it to cease programming work on Phase II, due to revisions to the</p>	<p><b>Status - Open</b>  <b>Second Follow-up Response –Office of the Chief Auditor - October 2013:</b></p> <p>Subsequent to the completion of this Current Status Report, the Office of the General Counsel was requested to provide a legal opinion regarding the Construction Manager's delay claims and associated compensation. On September 27, 2013 the OCA received the Office of the General Counsel's Legal Opinion Memorandum (see pages 35-37) that affirmed the OCA's recommendation to deny the Construction Manager's delay claims and associated compensation. In consideration of the Office of the General Counsel's Legal Opinion Memorandum, OCA recommends the Office of the General Counsel consider pursuing Liquidated Damages due to the Construction Manager's failure to complete the project within the time set forth in the contract documents.</p> <p><b>Status - Open</b>  <b>Follow-up Response –Office of the Chief Auditor - August 2013:</b></p> <p>OF&amp;C did not provide complete details of the status of the Finding/Recommendation as there was no mention of the payment and/or payment amount to the Construction Manager, Hewett-Kier Construction, Inc. for Extended General Conditions as identified in the original Finding and Recommendation. However, it is documented in proposed Construction Change Order-Item # 21 dated July 18, 2013 (see Exhibit A) that OF&amp;C will seek Board approval to pay Hewett-Kier Construction, Inc. \$253,501 as compensation for extended General Conditions as a result of Project delays attributed to unforeseen conditions and Owner Delays. OCA disagrees with OF&amp;C making payment and OCA maintains, as noted in the original Audit Report, the Construction Manager should not receive</p>

**CYPRESS ELEMENTARY CURRENT STATUS MATRIX**

Findings	Recommendation	Management Response	Current Status
<p><b>Condition #1 continued:</b></p>		<p>original scope of work for the remodeling of the existing cafeteria. This action resulted in a delay to the commencement of the Phase II scope of work, placing this phase on hold from March 17, 2010 until the drawings were permitted and issued to the CM on April 22, 2011 for Plan Change 12R and May 2, 2011 for Plan Change 7R. Programming and commencement of Phase II work could not begin until this occurred, hence the determination by F&amp;CM and the two independent cost and scheduling consultants that the delay could not be attributed to the Construction Manager.</p> <p>Although the CM's baseline schedule indicated a completion date of February 18, 2011 for Phase I, the scope of work within this phase was also impacted by the revisions to the site drainage. It should be noted that February 18, 2011 as shown on the baseline schedule was not defined as a contractual obligation, since neither the Agreement, nor the NTP stipulated specific durations and completion dates for any of the phases of the project.</p> <p>As implied by SBBC's CM Agreement, a baseline schedule is an instrument relevant to the means and methods of the Construction Manager. It was provided to SBBC for information purposes only in the assurance of compliance with the Substantial and Final Completion dates, per the Agreement and NTP. Reference is made to its application in ARTICLE 7.01.05 of the General Conditions of the Contract: <i>"By providing these Schedules to Owner, Owner does not in any way acknowledge or consent that the Schedules are acceptable or reasonable, but it is simply reviewing same for its own informational purposes."</i></p> <p>With respect to the OCA's statement regarding the District's Project Manager and the Construction Manager to effectively utilize the provisions of Article 27 of the Agreement, Change Orders and Construction Change Directives, F&amp;CM submits that the Agreement specifically establishes the criteria for issuing Construction Change Directives and Construction Change Orders. Per ARTICLE 1.1.34 the criteria for the</p>	<p>any payment due to:</p> <ul style="list-style-type: none"> <li>The inability of the Construction Manager to complete the project in the 570 day schedule outlined and agreed to in the Notice to Proceed (see Exhibit H).</li> <li>The Construction Manager's inability to complete the New Cafeteria by February 18, 2011, per their project schedule, causing approximately 4 months delay (see Exhibit I).</li> <li>The failure to comply with Article 42 (42.1.b) of the Agreement.</li> </ul> <p>This intended payment is in direct conflict with the Audit Finding Recommendation and is ill-advised by the OCA.</p> <p>It must be noted, the Construction Manager was paid a total Fee of \$1,200,000 to manage the project and as stated in Article 1 of the Agreement... <i>The Construction Manager covenants with the Owner to furnish its best skill and judgment and to cooperate with the Project Consultant in furthering the interests of the Owner. It agrees to furnish efficient business administration and superintendence and use its best efforts to complete the project in the best and soundest way and in the most expeditious and economical manner consistent with the interest of the Owner...</i> As noted in the Audit Finding, the Construction Manager did not adequately manage the project in the best interest of the Owner.</p> <p>Additionally, the Report (Audit Finding/Recommendation) did not state the Construction Manager is only entitled to Non-Compensable Delays, as noted in OF&amp;C's response. The Audit recommended F&amp;CM should allow the Construction Manager 221 non-</p>

**CYPRESS ELEMENTARY CURRENT STATUS MATRIX**

Findings	Recommendation	Management Response	Current Status
<p><b>Condition #1 continued:</b></p>		<p>use of Construction Change Directives is defined:</p> <p>ARTICLE 1.1.34 "Construction Change Directive (CCD)                      - A CCD is issued and approved by the owner or its designee for additions or deletions in the scope of work or services provided by the Construction Manager when authority to proceed with the change needs to be expedited or the Construction Manager fails to agree on the terms offered by the Owner for the change at the Owner's sole discretion."</p> <p>The change order process per Article 27 of the Agreement was in progress and at no time during the process of negotiating the Change Orders for the Plan Changes 7R and 12R, did the Project Team come to an impasse. All costs were scrutinized and validated in the best interest of SBBC. The Construction Manager continued to work on the scope of work in Phase II that was common to the original scope and that of the plan changes.</p> <p>Regarding the OCA's statement that the Construction Manager failed to comply with Article 42 (42.1.b) of the Agreement Notice of Claim: Waiver of Remedies; No Damages for Delay, which states that the Construction Manager must submit a Notice of Claim to the Owner within 20 days of when the Construction Manager was or should have been aware of the occurrence of the event giving rise to the claim, F&amp;CM offers that sufficient notice was provided. The Construction Manager advised the team of the anticipated delay claim on February 2, 2011 per the meeting minutes, 2.03 CONSTRUCTION SCHEDULE dated 2/1/2011.</p> <p>The full impact of the delays relating to the revised drawings was not determined until after the approval of the drawings and upon the CM's commencement of the programming of the new Phase II scope of work on, or about June 6, 2011.</p> <p>At the time of reviewing the delay claim, it was the assessment of the Project Team that the CM did in fact comply with the aforementioned</p>	<p>compensable days to complete the Cypress Elementary Project.</p> <p>Because OF&amp;C feels the Construction Manager should receive payment and OCA has documented (in the Audit Report) the Construction Manager should not receive payment, this matter should immediately be reviewed, analyzed and resolved by the Office of the General Counsel.</p>

**CYPRESS ELEMENTARY CURRENT STATUS MATRIX**

Findings	Recommendation	Management Response	Current Status
<p><b>Condition #1 continued:</b></p>		<p>provision of the contract. The formal notice of the claim was submitted August 24 2011 and details of the claim and the impact of the delays were then subsequently submitted, September 8, 2011 with a Change Order Proposal as provided in the aforementioned Article.</p> <p>As such, staff was assuming responsibility for the delay in expediting the design change approval, as governed by our own contract language. Staff attempted and was successful in mitigating the cost of that impact by negotiating with the claimant. Staff knew from the outset that the project had unique issues and took action to deal with them. However, it is important to note that Staff's actions were governed by our contract, not the contractor. In the opinion of the OCA, this was the incorrect course of action, despite the fact that the actions were reviewed by legal counsel as to form and compliance with the provisions of the contract.</p> <p><b>Follow up comments by the Office of the Chief Auditor June 13, 2012:</b></p> <p>Our recommendation is to deny extended General Conditions in the amount of \$198,900. We performed an independent review of the change orders. We read the two independent consultant reports and we disagree with them. Neither report identified a root cause for the delay. One consultant recommended tacking on 221 days to the project and the other consultant recommended adding 160 days, and the latter did not recommend any monetary compensation. The CM's baseline schedule allowed for 367 days to complete the new cafeteria and provided 203 days to finish the remodeling of the existing cafeteria (Building #1) and other site improvements. This does not justify adding additional days to the end of the project, in our opinion. In addition, the CM negotiated and signed a Notice to Proceed to complete the project in 570 days, knowing from the beginning that there would be remodeling and site work changes. There was ample time to revise and issue change orders for that work, yet this was not done.</p> <p>In reference to a March 17, 2010 letter from the Project</p>	

**CYPRESS ELEMENTARY CURRENT STATUS MATRIX**

Findings	Recommendation	Management Response	Current Status
<p><b>Condition #1</b> continued:</p>		<p>Consultant, which directed the CM to stop work for the existing cafeteria (Building #1), there was no work going on in the existing cafeteria (Building #1) because the new cafeteria (Building #5) had to be completed, before work on the existing cafeteria could begin. The existing cafeteria needed to be in operation until the new cafeteria was completed. Therefore, no work was being done on the existing cafeteria.</p> <p>In reference to the baseline schedule, where it was stated that this schedule is simply for informational purposes, we do not disagree. However, as we noted in the report, the CM had an agreed upon Notice to Proceed to complete the project in 570 days.</p> <p>In reference to Article 27 for Change Orders and Construction Change Directives, the fact that the revised drawings for the elimination of three classrooms and replacement with storage area were provided to the Construction Manager on April 21, 2011, and it took 232 days to issue a CCD, represents mismanagement of the project. The inability of the Construction Manager to perform all work and services necessary to complete the work in strict accordance with contract documents, specifically as outlined in Article 1 (1.1) The Project Construction Team and Entire Agreement which states <i>"furnish efficient business administration and superintendence and use its best efforts to complete the project in the best and soundest way and in the most expeditious and economical manner consistent with the interest of the owner."</i></p> <p>In reference to F&amp;CM's statement <i>"The Construction Manager advised the team of the anticipated delay claim on February 2, 2011 per the meeting minutes, 2.03 CONSTRUCTION SCHEDULE dated 2/11/2011"</i>. We reviewed Section 2.03 of the 2/21/2011 minutes, and noted that the CM stated <i>"The project is on schedule"</i>. We still contend that they did not comply with Article 42 (42.1.b) of the Agreement Notice of Claim: Waiver of Remedies; No Damages for Delay which states <i>"The Construction Manager must submit a Notice of Claim to Owner within 20 days of when the Construction Manager</i></p>	

**CYPRESS ELEMENTARY CURRENT STATUS MATRIX**

Findings	Recommendation	Management Response	Current Status
<p><b>Condition #1 continued:</b></p>		<p><i>was or should have been aware of the occurrence of the event giving rise to the claim." The official notice of claim was September 8, 2011 (see Exhibit I of the audit report).</i></p>	

**CYPRESS ELEMENTARY CURRENT STATUS MATRIX**

Findings	Recommendation	Management Response	Current Status
<p><b>Condition #2:</b></p> <p>Facilities &amp; Construction Management (F&amp;CM) issued a Notice to Proceed (NTP) to the Construction Manager, Hewett-Kier Construction Inc. on the New Food Service Multipurpose Building, Renovations and Site Improvements project, Project No. 1781-24-01/P000346 at Cypress Elementary School with the knowledge that the permitted plans were going to be redesigned for site drainage work and remodeling of the existing cafeteria (Building # 1).</p>	<p>We recommend that F&amp;CM not issue Notices to Proceed with the knowledge that permitted plans are going to be revised, thereby reducing the potential for Change Orders and delay claims.</p>	<p><b>Administrative Response – Facilities &amp; Construction Management Division June 12, 2012:</b></p> <p>F &amp; CM agrees with the OCA's Recommendations and Impact comments that a Notice to Proceed (NTP) should not be issued with the knowledge that permitted plans will require revisions. As the OCA indicated, F&amp;CM elected to issue an NTP for construction knowing that there would be two significant redesigns in the project.</p> <p>The Impact, as indicated by the OCA, is also consistent with the findings of the two independent cost and scheduling consultants who reviewed the Delay Claim. F&amp;CM issued the NTP prematurely, and as a result, delays caused by this action cannot be attributed to the Construction Manager.</p> <p>Staff will develop a process that will address project design and scope changes to prevent future recurrences of this type of issue.</p> <p><b>Follow up comments by the Office of the Chief Auditor June 13, 2012:</b></p> <p>We do not agree with paragraph 2 above. We do not agree with F&amp;CM's interpretation of OCA's Impact statement. OCA's Impact statement is NOT "consistent with the two independent cost and scheduling consultants who reviewed the Delay Claim." We were pointing out the potential ramifications of issuing a Notice to Proceed with the knowledge that permitted plans were going to be redesigned. Below is our original Impact statement.</p> <p>"F &amp;CM's issuance of the Notice to Proceed, with the knowledge that the permitted plans were going to be revised, resulted in Change Orders and compensation requests for delay claims in the amount of \$198,900."</p>	<p><b>Administrative Response – Office of Facilities &amp; Construction Management (formerly Facilities &amp; Construction Management Division) July 17, 2013:</b></p> <p><b>Status:</b> OF&amp;C implemented procedures to ensure that a Notice-to-Proceed (NTP) will be verified for completeness prior to being issued to the Contractor. See attached Contract Bulletin No. 004/017 issued January 31, 2013.</p> <p><b>Status - Incomplete</b> <b>Follow-up Response – Office of the Chief Auditor - August 2013:</b></p> <p>OF&amp;C provides Contract Bulletin No. 004/017 issued January 31, 2013 (see Exhibit B) as support for newly implemented procedures. Our review of Construction Bulletin 004/017 noted:</p> <ul style="list-style-type: none"> <li>The Contract Bulletins are maintained on the Facility Planning and Real Estate, Broward County Public Schools – Construction Contracts Department website (see Exhibit C).</li> <li>On this website Bulletin #4 (004) (see Exhibit C) is titled NOA and NTP Documents 00510, 00550 and Bulletin #17 (017) (see Exhibit C) is titled Authorization to Bid, but the Bulletins (documents) are identical and both do not contain their respective titles on the document (see Exhibits B and D).</li> <li>Both Bulletins reference revised (construction) Document 00550 (see Exhibit E) in their procedure. The Facility Planning and Real Estate, Broward County Public Schools – Construction Contracts Department website page for Division 00</li> </ul>



**CYPRESS ELEMENTARY CURRENT STATUS MATRIX**

Findings	Recommendation	Management Response	Current Status
<p><b>Condition #2</b> continued:</p>			<p>Procurement and Contracting Requirements notes ...Division 00 documents are currently under revision and will be available at this site soon... (see Exhibit F) The page provides a name and phone number to contact for questions. The person whose name is shown to contact no longer works in the Office of Facilities &amp; Construction (see Exhibit G).</p> <ul style="list-style-type: none"> <li>• Document 00550 (Exhibit E) reflects its most recent revision date as 10-18-11 which precedes the Cypress Elementary Audit Report date of April 2012.</li> </ul>

**CYPRESS ELEMENTARY CURRENT STATUS MATRIX**

Findings	Recommendation	Management Response	Current Status
<p><b>Condition #3:</b></p> <p>Facilities &amp; Construction Management (F&amp;CM) did not promptly issue Construction Change Directives (CCD) to the Construction Manager, Hewett-Kier Construction Inc. on the New Food Service Multipurpose Building, Renovations and Site Improvements project, Project No. 1781-24-01/P000346 at Cypress Elementary School.</p>	<p>Ensure that the Construction Change Directives are processed in a timely manner to prevent construction project delays.</p>	<p><b>Administrative Response – Facilities &amp; Construction Management Division June 12, 2012:</b></p> <p>In Finding #3, the OCA recommended that Construction Change Orders be processed in a timely manner to prevent construction project delays. This recommendation is sound and should be adhered to on projects, where applicable. As clarified previously under Finding #1, the change order process per Article 27 of the Agreement was in progress and at no time during the process of negotiating the Change Orders for the Plan Changes 7R and 12R, did the Project Team come to an impasse. The Construction Manager continued to work on the scope of work in Phase II that was common to the original scope and that of the plan changes.</p> <p>In ARTICLE 1.1.34 of the Agreement, the criteria for issuing Construction Change Directives (CCD) and Construction Change Orders (CCO) is clearly defined, as follows:</p> <p>ARTICLE 1.1.34 "Construction Change Directive (CCD) - A CCD is issued and approved by the owner or its designee for additions or deletions in the scope of work or services provided by the Construction Manager when authority to proceed with the change needs to be expedited or the Construction Manager fails to agree on the terms offered by the Owner for the change at the Owner's sole discretion."</p> <p>The criteria for issuance of a CCD is not considered to be a function of time by the Project Team but rather an action taken to mitigate a delay in the project completion and/or should the CM fail to agree on the terms offered by the Owner.</p> <p>It is the opinion of the Project Team that the expedited issuance of the Change Order by the use of a CCD was unnecessary at the time the approved drawings were transmitted to the CM, on or about May 2, 2011. The timing for the expedited CCD process was mutually agreed to be required at the time the project nearing the critical path activity of Drywall Framing. The major</p>	<p><b>Administrative Response – Office of Facilities &amp; Construction Management Division) July 17, 2013:</b></p> <p><b>Status –</b> Recommendation as to OCA's Audit, Finding # 3 has been implemented.</p> <p>OF&amp;C will continue to adhere to the contractual procedures for issuing and expediting Change Orders and Construction Change Directives.</p> <p><b>Status – Implemented, but not in use Follow-up Response – Office of the Chief Auditor - August 2013:</b></p> <p>Implemented; however, OCA could not review or test procedure as no new CM @ Risk contracts have been awarded and no Construction Change Directives (CCD) have been processed on this project subsequent to our original Audit Report.</p>

**CYPRESS ELEMENTARY CURRENT STATUS MATRIX**

Findings	Recommendation	Management Response	Current Status
<p><b>Condition #3 continued:</b></p>		<p>structural, mechanical, electrical and plumbing were all common to the original permitted drawings. The CCD for the interior remodeling was issued after the lump sum price for the revisions were reviewed and accepted by the Project Team and prior to the critical path activity which would have impacted the completion schedule of the Phase II of the Project.</p> <p>The project was not delayed during negotiations of the change orders for the revised scope. After a review of the CM's requisitions, and comparison with the cost loaded schedule, it was determined that there were no delays consequent to the negotiations of the change orders. Meticulous review of the change orders by the Project Team ensured efficiencies for the credit and additive costs resulting from the plan changes.</p> <p>With respect to this project, the aforementioned criteria were not applicable since the CM continued to prosecute the work while the change orders were in process for the revised scope of work. In addition, the Change Order Proposal from the CM made no mention of the timing in issuing a CCD or a CCO as cause for the delay claim. The Delay Claim specifically itemized the cause as attributable to the revised remodeling of the existing space per CSI 12R. It should be noted that the delay attributed to drainage revisions CSI 7R was concurrent with the CSI 12R for the remodeling.</p> <p>If as suggested by the OCA, a CCD was processed at the time the revised permitted drawings were issued to the CM, the enormity of the task of monitoring \$3.2 million in construction on a "Time and Material" basis would require at the very least, two additional full time employees. F&amp;CM will continue to issue Construction Change Directives and Change Orders in accordance with the Agreement in the effort of protecting the resources and best interests of SBBC.</p>	

**CYPRESS ELEMENTARY CURRENT STATUS MATRIX**

Findings	Recommendation	Management Response	Current Status
<p><b>Condition #3</b> continued:</p>		<p><b>Follow up comments by the Office of the Chief Auditor June 13, 2012:</b></p> <p>The Office of the Chief Auditor disagrees with F&amp;CM's statement "It is the opinion of the Project Team that the expedited issuance of the Change Order by the use of a CCD was unnecessary at the time the approved drawings were transmitted to the CM, on or about May 2, 2011." It is OCA's opinion, based on reviewing the response provided by F&amp;CM, if the Project Team deemed that a CCD was unnecessary, a Change Order should have been issued at that time.</p> <p>In regard to the final paragraph of the response, OCA disagrees that issuing a CCD, which resulted in a \$37,906 Change Order approved on February 22, 2012, would require 2 additional employees to monitor the project on a CM at Risk project.</p>	

**SECTION II**  
**EXHIBITS**



The School Board of Broward County, Florida  
 Facilities and Construction Management Division  
 1643 North Harrison Parkway  
 Sunrise, FL 33323

# EXHIBIT A

(754) 321-1500

## Document 01250g (00 63 63)-Construction Change Order-Item # 21

**Facility Name:** Cypress Elementary School **Date:** July 18, 2013  
**Project Name:** New Multipurpose Building Remodeling & Site Improvements **Project #** 1781-24-01/P.000346  
**Project Description:** General Construction  
**Contractor:** Hewett Kier Construction, Inc. **Reference Letter Dated:** Hewett-Kier Construction, Inc. July 18, 2013

**Description of Change:**

Hewett-Kier Construction Co., Inc., is to be compensated for extended General Conditions as a result of Project delays attributed to unforeseen conditions and Owner Delays.

The Construction Manager provided a discounted adjustment to the per diem rate to \$1,026.32 per day in lieu of the contractual obligation of \$1,250.00.

The discounted compensation for extended General Conditions totals \$253,501.00 for 247 days of delay in lieu of \$308,750.00, which provides a savings of \$55,249.00 to the Owner.

**Attachments:**

SBBC Financial Review;

**Reason For Change:**

In accordance with the Construction Manager at Risk Agreement,

*"ARTICLE 25.1(3) CONSTRUCTION MANAGER'S FEES The Construction Manager shall be paid an additional fee should the duration of the construction stipulated herein for Final Completion extend beyond the approved final completion date 18 months after the Notice-To-Proceed, due to no fault of the Construction Manager....."*

**Summary:**

**Total of Added Costs:** **Add: \$253,501.00**  
**Deduct:** \_\_\_\_\_

**The Contract Time Increased by:** **247 Days**

THIS CHANGE ORDER ITEM IS INCLUSIVE OF ALL COSTS ASSOCIATED WITH THIS WORK. NO ADDITIONAL COMPENSATION FOR EXTENDED TIME SHALL BE DUE AS A RESULT OF THIS CHANGE IN THE SCOPE OF WORK.

Recommended \_\_\_\_\_ Accepted \_\_\_\_\_ Reviewed and Concurred \_\_\_\_\_

Project Consultant's Signature <b>Robert McMahon</b>	Contractor's Signature <b>Jim Hewett</b>	Facilities Project Manager <b>Dave A. Archer</b>
Project Consultant's Typed Name <b>Zelch &amp; McMahon, Architects</b>	Contractor's Typed Name <b>Hewett-Kier Construction Co., Inc.</b>	Facilities Project Manager's Typed Name <b>Facilities &amp; Construction Management</b>
Project Consultant's Firm Name	Contractor's Firm Name	The School Board of Broward County, FL

Change Order Categories		Sub Categories	
<input type="checkbox"/> Owner's Request	<input checked="" type="checkbox"/> Unforeseen	<input type="checkbox"/> Regulatory Compliance	<input type="checkbox"/> Safety/Emergency
<input type="checkbox"/> Consultant Error	<input type="checkbox"/> Consultant Omission		



**Hewett-Kier Construction, Inc.**

General Contractors • Construction Managers • Design Builders

3451 NW 14<sup>th</sup> Ave.  
Pompano Beach, FL 33064

Ph: (954)946-4224  
Fax: (954)946-2447

July 18, 2013

Letter No.-00011

The School Board of Broward County,  
1643 North Harrison Parkway  
Sunrise, FL 33323

Fax No:754-321-1680

Subject: Palmview & Cypress Elementary School  
Project No. 1131-23-01 / 1781-24-01

Mr. Archer,

As you are aware, Hewett-Kier Construction Inc. has been forced to bear the costs and burden of extended general conditions costs on Palmview Elementary and Cypress Elementary projects for several years now. Every construction professional that has reviewed these projects has agreed that Hewett-Kier is entitled to additional fees due to the extension of final completion dates due to no fault of Hewett-Kier. This includes, the SBBC's construction department, the project architects and every consultant hired by the SBBC. The contracts are unambiguous as to the compensation due to Hewett-Kier under these circumstances - \$1,250.00 per day.

In November 2011 we met with SBBC personnel and agreed in principle on a compromise both as far as the number of days we were seeking and the "per diem". We agreed on 283 compensable days for Palmview and 221 compensable days for Cypress. In the spirit of cooperation, we agreed to \$900/day for the per diem. This agreement, of course, never made it to the Board and Hewett-Kier was forced to continue to incur the costs of extended contract performance through no fault of its own. As a result, we withdrew our compromise per diem of \$900.00.


Fast forward to June 2013 and we once again met with SBBC personnel in good faith to resolve our claims for extended general conditions. Please note that additional delays beyond the control of Hewett-Kier occurred between our November 2011 meeting and our June 2013 meeting. In June 2013 we agreed in principle to accept 247 days on our claim on Cypress of 329 days and to accept 285 days on Palmview on our claim of 471 days. As a courtesy, we also agreed to reduce our per diem from the contractually mandated \$1,250.00 to \$1,100.00. This reduced the amount

# EXHIBIT A

to be paid to Hewett-Kier to \$271,700.00 on Cypress and \$313,500.00 on Palmview. We were prepared to put these two projects behind us on these terms.

The SBBC subsequently requested a conference call to request Hewett-Kier to consider further discounting its claims. That call was attended by you, Denis Herrmann, Shelley Meloni as well as other SBBC personnel. We have considered your request and based on our longstanding relationship with the School Board of Broward County and our respect for the above individuals, we are making a onetime offer to further reduce our claims as follows. We will accept \$298,495.00 on Palmview and \$253,501.00 on Cypress. Should this not be accepted and approved, we will proceed to enforce our contractual rights.

Very Truly Yours,  
Hewett-Kier Construction Inc.



James R. Hewett  
President



# EXHIBIT A

## SBBC REVIEW

CYPRESS ELEMENTARY SCHOOL  
 KITCHEN / CAFETERIA  
 SBBC Project # P.000348 (I.R.A. 1761-24-01)  
 June 16, 2013

TIME					
#	DESCRIPTION	CONTRACT DATES / NO. OF DAYS	ACTUAL DATES / NO. OF DAYS	DELTA	COMMENTS
	<b>TIME</b>				
	NTP	February 16, 2010	February 16, 2010		
	DAYS TO SUBSTANTIAL COMPLETION	510	916	406	
	DATE OF SUBSTANTIAL COMPLETION	July 11, 2011	August 20, 2012		
	DAYS TO FINAL COMPLETION	60	66	6	
	DATE OF FINAL COMPLETION	September 9, 2011	October 24, 2012		
	TOTAL DAYS (by days)	570	961	411	
	TOTAL DAYS (by dates)	570	961	411	DELTA IS MAX DAYS OF DELAY
	check	0	0	0	
	<b>ATKINS REPORT</b>				
	CM'S UN-EXCUSABLE DELAYS	62			
	CM'S EXCUSABLE DELAYS	329			
	<b>TOTAL DAYS</b>	411			TOTAL CONSISTANT WITH DELTA ABOVE
	<b>LD'S</b>				
	<b>CONSIDERING CONTRACT COMPLETION WITH EXCUSABLE DELAYS</b>				
	NTP	February 16, 2010			
	DAYS PER CONTRACT	570			
	EXCUSABLE DELAY DAYS	329			
	REVISED CONTRACT COMPLETION	August 9, 2012			
	ACTUAL FINAL COMPLETION	October 24, 2012			
	TOTAL DAYS FOR LD'S	62			
		<b>DAYS</b>	<b>\$9</b>	<b>TOTAL</b>	
	DAYS OF LD'S FROM REVISED SUBSTANTIAL COMPLETION DATE TO ACTUAL COMPLETION DATE	77	\$1,000.00	\$77,000.00	(DAYS OF DELAY FROM NTP TO ACTUAL SUBSTANTIAL) - (EXCUSABLE DAYS)
	DAYS OF LD FROM SUBSTANTIAL TO FINAL	5	\$600.00	\$9,000.00	
	TOTAL DAYS OF LD'S	82			
	<b>POTENTIAL COST</b>	<b>ATKINS REVIEW</b>	<b>CM'S REQUEST</b>	<b>DELTA</b>	<b>COMMENTS</b>
	DAYS OF DELAY	329	411	82	
	ADDITIONAL FEE & GENERAL CONDITIONS	\$1,260.00	\$1,260.00	0	PER CONTRACT
	TOTAL ADDITIONAL FEE	\$411,260.00	\$513,760.00	\$102,500.00	
	DEDUCT LD'S (see above)				CALCULATED ABOVE
	<b>TOTAL EXT OF TIME AMOUNT</b>	<b>\$391,260.00</b>	<b>\$513,760.00</b>	<b>\$102,500.00</b>	
	DAYS OF DELAY	329			
	DAYS OF LD'S	62			
	TOTAL DAYS	247			
	ADDITIONAL FEE & GENERAL CONDITIONS	\$1,260.00			PER CONTRACT
	TOTAL ADDITIONAL FEE	\$398,760.00	\$513,760.00	\$205,000.00	

# EXHIBIT B

## DESIGN AND CONSTRUCTION BULLETIN

Issue Date: January 31, 2013

Best Practice Bulletin No.

Contract Bulletin No. 004 / 017

McGladrey Audit Finding No.

### Purpose:

Establish a procedure to coordinate the issuance of the Notice to Proceed with the receipt of the Building Permit. See also CB 017.

### Issue:

Revised Document 00550 to incorporate a placeholder for the Building Permit Number and established the procedure to prohibit issuance of a Notice to proceed without a Building Permit issued by the CBO.

Document 00550 issued to Project Managers and project Consultants. Currently posted on web site.

### Procedure:

1. Include revised Document 00550 in all bidding documents
  - a. Responsible Parties
    - i. Project Manager
      1. Ensure the project Consultant has complied at Phase III 50% and 100% Construction Document submittals.
      2. Provide complete, duplication-ready Construction Documents, including Division 0 and 1 documents, to Design and Construction Contracts Department when Permit Approval Memo is issued by the CBO.
      3. Do not issue a Notice to Proceed without the appropriate, valid Building Permit for the Work encompassed in the Notice to Proceed.

# EXHIBIT C



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## Contract Bulletins

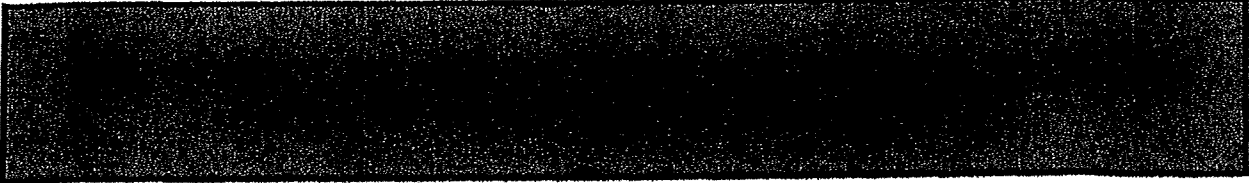
Bulletin NO#	NAME OF BULLETIN	Bulletin NO#	NAME OF BULLETIN
*	Alphabetical Index of Procedures and Bulletins	37	M/WBE Documents Required With Bids
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# EXHIBIT C

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Nondiscrimination & Reasonable Accommodation  
Email-Webmaster

# EXHIBIT D



## DESIGN AND CONSTRUCTION BULLETIN

Issue Date: January 31, 2013

<input type="checkbox"/> Best Practice Bulletin No.	<input checked="" type="checkbox"/> Contract Bulletin No. 004 / 017	<input type="checkbox"/> McGladrey Audit Finding No.
---	---	--

**Purpose:**

Establish a procedure to coordinate the issuance of the Notice to Proceed with the receipt of the Building Permit. See also CB 004.

**Issue:**

Revised Document 00550 to incorporate a placeholder for the Building Permit Number and established the procedure to prohibit issuance of a Notice to proceed without a Building Permit issued by the CBO. Document 00550 issued to Project Managers and project Consultants. Currently posted on web site.

**Procedure:**

1. Include revised Document 00550 in all bidding documents
  - a. Responsible Parties
    - i. Project Manager
      1. Ensure the project Consultant has complied at Phase III 50% and 100% Construction Document submittals.
      2. Provide complete, duplication-ready Construction Documents, including Division 0 and 1 documents, to Design and Construction Contracts Department when Permit Approval Memo is issued by the CBO.
      3. Do not issue a Notice to Proceed without the appropriate, valid Building Permit for the Work encompassed in the Notice to Proceed.



**The School Board of Broward County, Florida** **EXHIBIT E**  
**Facilities and Construction Management Division**  
**Sawgrass Technology Park,**  
**1643 North Harrison Parkway, Bldg H**  
**Sunrise, FL 33323**  
**(754) 321-1500**

**Document 00550: Notice to Proceed (Permitting)**

**Date:**

**To:**

Company Name  
& Address:

**Pick Up:**

This document constitutes your Notice to Proceed with the following Contract:

Project No.  
Facility  
Name:  
Project Title:

You are hereby notified that the Contract Times for Permitting as stated for this Contract will commence on the following date:

\_\_\_\_\_

You are instructed to start performing the obligations of the Contract on that date, with:

- A required performance period of \_\_\_ consecutive calendar days.
- As otherwise delineated in the Agreement Form to which you were signatory.

Please review the applicable sections of the Project Manual including Documents 00200 and 001330 for further information regarding the permitting process. .

Additional Instructions relative to this Notice to proceed follow below:

**Item Instruction**

1. Per Division 01, Section 01330, this NTP pertains to permitting only.
2. Agreement Form and Bonds will be issued under separate cover.

If you have any questions concerning this Notice to Proceed, please contact, Project Manager II, at (754) 321-.

Sincerely,

Thomas Lindner, Deputy Superintendent  
Facilities and Construction Management Division

TEL/SNM/DH/PK/dlm



**EXHIBIT E**

**The School Board of Broward County, Florida  
Facilities and Construction Management Division  
Sawgrass Technology Park,  
1643 North Harrison Parkway, Bldg H  
Sunrise, Fl 33323  
(754) 321-1500**

**Document 00550: Notice to Proceed (Permitting)**

**Attachments:**

- Document 00520 Agreement Form
- Document 00600 Performance Bond
- Document 00610 Payment Bond
- Risk Management Approval and Certificate of Insurance

**Copies:**

- , Principal, School
- The Honorable, \_\_\_\_\_, Mayor (With Municipal Letter)
- Thomas Lindner, Deputy Superintendent (With Copy of Payment Bond)
- Christopher Akagbosu, Executive Director, Facility Management, Planning and Site Acquisition
- Shelley Meloni, Executive Director, Facilities Design & Construction
- Robert Hamberger, Chief Building Official
- Alice Shapiro, Senior Architect, Design Services
- Denis Herrmann, Director, Design and Construction Contracts
- Sonja Coley, Senior Project Manager
- , Project Manager II (With Copy of Attachments)
- Pam Norwood, Capital Payments Review Supervisor
- Omar Shim, Director, Capital Planning
- Project Consultant (With Copy of Attachments)
- Bill Harris, Director, Supply Management & Logistics (With Copy of IRS Form W-9 Only)
- Project File (With Original Attachments)
- Contract Set (With Original Attachments)
- Files

# EXHIBIT E

---

**The School Board of Broward County, Florida**

**Notice to Proceed - Permitting**

**October 1, 1996 ((R10:04-01-2011-IRS) (R11-7-01-11 PK) (R12-10-18-11 PK)**

**Document 00550**

**Page 3**



# EXHIBIT F



## FACILITY PLANNING AND REAL ESTATE

BROWARD COUNTY PUBLIC SCHOOLS - CONSTRUCTION CONTRACTS DEPARTMENT

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[Bulletins](#)

[Prequalification Process](#)

[Bidding & FAQ's](#)

[Division 0 Documents](#)

[Project Mgmt/Customer Support](#)

### Division 00 Procurement And Contracting Requirements

Sorry for the inconvenience but the Division 00 documents are currently under revision and will be available at this site soon. Please contact John Hodge at 754-321-1635 if you have questions or need assistance.

Thank You

John Hodge  
Design and Construction Contracts



[RETURN TO MAIN CONSTRUCTION CONTRACTS HOME PAGE](#)  
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Nondiscrimination & Reasonable Accommodation



**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
600 SOUTHEAST THIRD AVENUE, FORT LAUDERDALE, FL 33301 • Telephone: 754-321-2324 • Fax: 754-321-2716

**SUSAN T. ROCKELMAN, DIRECTOR**  
INSTRUCTIONAL STAFFING DEPARTMENT  
www.browardschools.com/teachstf

**SCHOOL BOARD**

*Chair* LAURIE RICHLEVINSON  
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DONNA F. HORN  
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ANN MURRAY  
DR. ROBERT OROSCO  
NICK KATZERT

**Acknowledgment of Surplus Placement**

June 6, 2013

PN#20170

John Hodge  
P.o. Box 771805  
Coral Springs, Florida 33077

Dear John Hodge:

Thank you for your patience during this process. Listed below is your assigned location for the 2013-2014 school year. Please contact the principal to discuss your specific assignment. Vacancies are determined based on the schools projected budgets. We make every attempt to assign teachers to their preferred locations; however, this is not always possible. If your current location receives a vacancy, you will be contacted about returning to the location.

You are expected to report to your assigned location on August 12, 2013. Failure to report will result in your name being recommended to the Board for termination. You are eligible to seek your own transfer. Complete the on-line Transfer Request Form, if you have not already completed one. If your employment status changes, contact your new principal.

To acknowledge receipt of your assignment, please sign, date, and return a copy of this letter to Instructional Staffing via fax at 754-321-2716. Your commitment to Broward County Schools is appreciated. We wish you the best of luck in your new assignment.

Sincerely,

School Information

School 1

School 2\*

Mrs. Ann E. Andersen-kowalski

Bright Horizons School

754 754-321-6400

3891 N E 1 Terrace, Pompano

Beach

\*If information is listed under "School 2" you have been assigned to a 100% position shared between two schools

Susan T. Rockelman, Director  
Instructional Staffing

STR:kds

Joe Wright on Thursday, August 01, 2013 at 4:54 PM -0400 wrote:





The School Board of Broward County **EXHIBIT H**  
Facilities and Construction Management Division  
1700 SW 14th Court  
Fort Lauderdale, FL 33312

(754) 321-1500

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**Document 00550: Notice to Proceed (GMP)**

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**Date:** February 16, 2010

**To:** James R. Hewett, President

**Building Permit No.:**  
178108PR637PRP

**Company Name** Hewett-Kier Construction, Inc.  
**& Address:** 3451 NW 14<sup>th</sup> Avenue  
Pompano Beach, FL 33064

**Fax and Pick-up:**  
954-946-2447

This document constitutes your Notice to Proceed with the following Contract:

Project No: **P. 000346 (f.k.a. 1781-24-01)**  
Project Title: **Kitchen/Cafeteria**  
Facility Name: **Cypress Elementary School**

You are authorized to commence the following phase(s) of your Construction Management Contract:

- Design
- Bidding and Award
- Construction

You are hereby notified that the Contract Times as stated for this Contract will commence on the following date:

February 16, 2010

You are instructed to start performing the obligations of the Contract on that date, with:

- A required performance period of 60 consecutive calendar days.
- A required Substantial Completion Date of July 11, 2011.
- As otherwise delineated in the Agreement Form to which you were a signatory.

A Pre-Construction Conference is scheduled for:

Time: **10:00 AM**  
Date: **Monday, February 22, 2010**  
Place: **Cypress Elementary School**  
**851 SW Third Avenue**  
**Pompano Beach, FL 33060**

Please review the applicable sections of the Project Manual for further information regarding attendance and the agenda for the Pre-Construction Conference.

Additional Instructions relative to this Notice to Proceed follow below:



The School Board of Broward County, Florida  
Facilities and Construction Management **EXHIBIT H**

1700 SW 14th Court  
Fort Lauderdale, FL 33312

(754) 321-1500

**Document 00550: Notice to Proceed (GMP)**

**Item Instruction**

1.

Your surety is being advised of this Notice to Proceed by copy of this document and its attachments.

If you have any questions concerning this Notice to Proceed, please contact Hilda Jimenez at 754-321-1649.

Sincerely,

Thomas E. Lindner, Acting Deputy Superintendent  
Facilities and Construction Management Division

TEL/DH:dm

**Attachments:**

- Form of Addendum to the Agreement
- Document 00600 Performance Bond
- Document 00610 Payment Bond
- Document 00455 Background Screening
- W-9: Request for Taxpayer Identification Number and Certification
- Risk Management Approval Letter
- Building Permit

**Copies:**

- Paulette Samai, Principal
- Thomas E. Lindner, Acting Deputy Superintendent
- Thomas J. Coates, Executive Director, Facility Management, Planning and Site Acquisition
- Derrick Ragland, Executive Director, Project Management
- Robert Hamberger, Chief Building Official
- Claudia Munroe, Executive Director, Design Services
- Denis Herrmann, Director, Design and Construction Contracts
- Jack Cooper, Senior Project Manager
- Hilda Jimenez, Project Manager
- Pam Norwood, Capital Payments Review Supervisor
- Jim Kale, Coordinator, Capital Planning
- Zelch & McMahon Architects, Project Consultant
- Nielson, Alter & Associates, Surety Agent
- Robert Waremburg, Director, Supply Management & Logistics (With Copy of IRS Form W-9 Only)
- Project File
- Contract Set
- Files

Project No.	Project Name	Orig. Est. Amt.	Orig. Dur.	Orig. Start	Orig. End	Total Est. Amt.	Total Dur.	Total Start	Total End
<b>CYPRESS ELEMENTARY SCHOOL</b>									
		710	541	31AUG09A	10AUG11	0			
00040V	ACCEPTANCE OF GMP	1	0	100 31AUG09A	09OCT09A				
01000.00	COMPLETION OF DESIGN REVIEW	0	0	100 31AUG09A					
00042V	ISSUE BUILDING PERMIT - BLDG 1	80	80	01 SEP09A	08JUN10	5			
00041V	ISSUE BUILDING PERMIT - BLDG 5	10	0	100 01SEP09A	04FEB10A				
01000.01	ADVERTISE TO BIDDERS	30	0	100 16SEP09A	19OCT09A				
01000.05	SUBMIT PAYMENT / PERFORMANCE BOND	5	0	100 09OCT09A	09OCT09A				
01000.02	PRESENT SUB BIDS AND MAKE RECOMMENDATIONS	15	0	100 16OCT09A	06NOV09A				
01000.03	SECURE MAJOR SUBCONTRACT AGREEMENTS	10	0	100 12NOV09A	14APR10A				
00043V	NOTICE TO PROCEED	1	0	100 16FEB10A	16FEB10A				
01000.04	SUBMIT BUILDERS RISK INSURANCE	5	0	100 16FEB10A	16FEB10A				
01010	PRECONSTRUCTION CONFERENCE	1	1	0 16FEB10	16FEB10				
<b>CONSTRUCTION OVERVIEW</b>									
01000.06	CM FEE - GENERAL CONDITIONS	510*	510*	0 16FEB10A	11JUL11	0			
01000.07	CM FEE - CONSTRUCTION	510*	510*	0 16FEB10A	11JUL11	0			
01000.08	CM FEE - OVERHEAD	510*	510*	0 16FEB10A	11JUL11	0			
01000.09	CM FEE - PROFIT	510*	510*	0 16FEB10A	11JUL11	0			
00044V	MILESTONE START - MOBILIZE ON SITE	0	0	0 17FEB10		12			
01360	GROUND BREAKING CEREMONY	1	1	0 17FEB10	17FEB10	254			
01820	AERIAL PHOTOGRAPHY	15	15	0 17FEB10	03MAR10	495			
00700	OWNER CONTINGENCY - BALANCE REMAINING	1	1	0 17FEB10	17FEB10	509			
19000	UNCOMMITTED FUNDS - BALANCE REMAINING	1	1	0 17FEB10	17FEB10	509			
00047V	MILESTONE FINISH - BUILDING PAD @ BUILDING 5	0	0	0 0	22MAR10	0			
00047V	MILESTONE FINISH - POUR FLOOR SLAB @ BUILDING 5	0	0	0 0	28MAY10	1			
00055V	MILESTONE FINISH - DRY IN ROOF @ BUILDING 5	0	0	0 0	15SEP10	8			
00057V	MILESTONE FINISH - ENERGIZE BUILDING @ BLDG 5	0	0	0 0	10DEC10	75			
00063V	MILESTONE FINISH - SUBSTANTIAL COMPLETION BLDG. 5	0	0	0 0	18FEB11	2			
01000.10	CM FEE - WARRANTY	30	30	0 18FEB10	10MAY11	83			
01820	DEMOSNTRATION AND TRAINING	30	30	0 18FEB11	20MAR11	148			
01700.5	CONSTRUCTION ACCEPTANCE / PUNCH LIST BLDG. 5	30	30	0 19FEB11	20MAR11	143			
00064V	MOVE STAFF AND STUDENTS INTO BLDG. 5	10	10	0 21FEB11	04MAY11	0			
00073V	FINAL COMPLETION	0	0	0 0	10AUG11	0			
<b>SUBMITTING DOCUMENTS</b>									
15105-A	SUBMIT PLUMBING PIPING	1	0	100 07JAN10A	07JAN10A				
15105-A	SUBMIT PLUMBING FIXTURES	1	0	100 07JAN10A	07JAN10A				

ACCEPTANCE OF GMP  
 COMPLETION OF DESIGN REVIEW  
 ISSUE BUILDING PERMIT - BLDG 1  
 ISSUE BUILDING PERMIT - BLDG 5  
 ADVERTISE TO BIDDERS  
 SUBMIT PAYMENT / PERFORMANCE BOND  
 PRESENT SUB BIDS AND MAKE RECOMMENDATIONS  
 SECURE MAJOR SUBCONTRACT AGREEMENTS  
 NOTICE TO PROCEED  
 SUBMIT BUILDERS RISK INSURANCE  
 PRECONSTRUCTION CONFERENCE  
 CM FEE - GEN  
 CM FEE - CON  
 CM FEE - OVE  
 CM FEE - PROF  
 MILESTONE START - MOBILIZE ON SITE  
 GROUND BREAKING CER  
 AERIAL PHOT  
 OWNER CONT  
 UNCOMMITTE  
 MILESTONE FINISH - BUILDING PAD @ BUILDING 5  
 MILESTONE FINISH - POUR FLOOR SLAB @ BU  
 MILESTONE FINISH - DRY IN ROOF @  
 MILESTONE FINISH - ENERG  
 MILESTONE FINISH - SUBS  
 CM FEE - WARRANTY  
 DEMOSNTRATION AND TRAINING  
 MOVE STAFF AND STUDENTS INTO BLDG. 5  
 FINAL COMPLETION  
 SUBMIT PLUMBING PIPING  
 SUBMIT PLUMBING FIXTURES

Sheet 1 of 2

CYPRESS ELEMENTARY SCHOOL  
Baseline Schedule

Project Start: 31AUG09  
 Project End: 10AUG11  
 Baseline Start: 31AUG09  
 Baseline End: 02JUN11

Legend:  
 Solid Bar: Activity  
 Dashed Bar: Milestone  
 Arrow: Activity  
 Diamond: Milestone

Return completed forms ready to:  
Office of Educational Facilities  
320 West College Street, Room 1004  
Tallahassee, Florida 32399-0400  
(850) 944-0444  
Fax: (850) 245-9229 or (850) 245-9204

FLORIDA DEPARTMENT OF EDUCATION  
Office of Educational Facilities  
**CERTIFICATE OF OCCUPANCY**

DEF USE ONLY

INSTRUCTIONS: Submit one copy of the completed certificate to each project architect, contractor, and school. Use the form in sufficient quantity for your use.

RE: School Board of Broward County, Florida  
Cypress Elementary School  
New Food Service/Multi-purpose Building #8 ONLY  
Project No. #1781-2-01XP-000346

(o School District    o Community College)  
(o School Name    o Campus)  
Description of Project  
EPIS Number (if applicable)

In accordance with Section 1019.97(2)(c), Florida Statutes, and upon recommendation of the project architect/engineer and the certified inspector, as stated below, the subject project is ready for occupancy.

Signature: [Signature] Date: 7-23-11  
o Superintendent    o President    o Designee

Intended Occupancy Date: August 16, 2011

**PROJECT ARCHITECT/ENGINEER AND CERTIFIED INSPECTOR:** I have inspected the subject project and, to the best of my knowledge and ability, I have determined that the safety systems\* are working satisfactorily; the facility is in compliance with statutes, rules and codes affecting the health and safety of its occupants; and that no asbestos-containing materials were specified for use in the building, nor to the best of my knowledge were asbestos-containing materials used in the construction of this project.  
Architect or Engineer of Record:

High Performance Green Building Standard Used (S. 265.2676(2), F.S.)    Rating Achieved  
Robert E. Matheron, Zach B. Matheron, Architects    AA-P000244    February 28, 2013  
Name (Type or Print)    License #    Expiration Date  
Signature: [Signature]    o Architect    o Engineer

Building Official:  
**ROBERT HAMBURGER BUI112**    11-30-11  
Name (Type or Print)    Expires #    Expiration Date  
Signature: [Signature]    8-20-11

Contractor:  
Hewitt-Hor Construction, Inc.  
James R. Hewitt    CGC 008022    8/31/2012  
Name (Type or Print)    (Signature)    License #    Expiration Date

Threshold Inspector (if applicable):  
James J. Pella, P.E.    P.E. Lic. No. 21089/SU Lic. No. 660    02/28/2013  
Name (Type or Print)    License #    Expiration Date

Project Information  
Code/Edition: FBC 2004    Construction Type(s): II-B    Occupant Load: 600  
Automatic Sprinkler System (Required Y/N): No    School/Community College Permit Number: 170108PR697C

Special Permit Situations  
\*Safety systems include, but are not limited to: egress, safety, rescue, fire rating, fire protection, means of egress, master valves, eye wash and dousing shower in schools; emergency disconnects in shops; fume and dust collection systems; heat and smoke detectors; stage protection including curtain operation, smoke vent, sprinklers, etc.; kitchen hood; fire sprinklers; smoke venting; illumination of means of egress; emergency lighting; emergency power; exit lights; fire alarm systems with required incidental functions; fire extinguishers; fuel-fired heaters; electrical illumination; electrical system required ventilation; toilet facilities; kitchen hot water supply; water supply; and sewage disposal as they apply to this project.

**SECTION III**  
**FULL TEXT OF ADMINISTRATIVE RESPONSES**

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
OFFICE OF FACILITIES & CONSTRUCTION


SHELLEY N. MELONI, R.A., NCARB, LEED® AP  
TASK ASSIGNED CHIEF FACILITIES & CONSTRUCTION OFFICER

Telephone: (754) 321-1610

Facsimile: (754) 321-1680

July 17, 2013

TO: Patrick O. Reilly, Chief Auditor  
Office of the Chief Auditor

FROM: Shelley N. Meloni, R.A., NCARB, LEED® AP   
Task Assigned Chief Facilities & Construction Officer

SUBJECT: **MANAGEMENT RESPONSE TO  
OFFICE OF THE CHIEF AUDITOR, APRIL 2012,  
REVIEW OF THE CYPRESS ELEMENTARY SCHOOL  
NEW FOOD SERVICE BUILDING, RENOVATIONS AND  
SITE IMPROVEMENTS PROJECT**

**Finding # 1:**

The Construction Manager, the Project Consultant, as well as Facilities & Construction Management staff did not adequately manage the Cypress Elementary School New Food Service Building, Renovations and Site Improvements Project.

**Management Response - Office of Facilities & Construction (OF&C)**

**Status:**

*OF&C met with Hewett Kier, Construction Inc. to discuss mitigating the financial impact of Extended General Conditions as a result of delays to the project duration.*

*Hewett Kier, Construction, Inc. agreed to swap delay days attributed to the Construction Manager in exchange for excusable delays attributed to unforeseen conditions and Owner delays.*

*In addition, the Construction Manager discounted the daily rate for extended General Conditions from \$1,250/day to a rate of \$1,100 per day.*

*As per the Construction Management Agreement, Non Compensable time applies exclusively to all subcontractors, i.e., NO DAMAGES FOR DELAYS, see ARTICLE 24.14 of the Agreement.*

*In regards to the Construction Manager, the remedy for Delays for the duration of the contract period would be either:*

- *Extended General Conditions (See ARTICLE 7.1.04) for excusable delays*
- *Liquidated Damages for delays attributed to the Construction Manager. (See ARTICLE 5 LIQUIDATED DAMAGES)*

*The Audit Report did not reference contract language which would lead to a conclusion that the Construction Manager is only entitled to Non-Compensable Delays.*



**Finding # 2:**

Facilities & Construction Management issued a Notice to Proceed (NTP) to the Construction Manager (CM), Hewett-Kier Construction, Inc., with knowledge that the permitted plans were going to be redesigned.

**Management Response - Office of Facilities & Construction (OF&C)**

**Status:**

*OF&C implemented procedures to ensure that a Notice-to-Proceed (NTP) will be verified for completeness prior to being issued to the Contractor. See attached Contract Bulletin No. 004/017 issued January 31, 2013.*

**Finding # 3:**

Facilities & Construction Management did not promptly issue Construction Change Directives (CCD) to the Construction Manager (CM), Hewett-Kier Construction, Inc.

**Management Response - Office of Facilities & Construction (OF&C)**

**Status:**

*Recommendation as to OCA's Audit, Finding # 3 has been implemented.*

*OF&C will continue to adhere to the contractual procedures for issuing and expediting Change Orders and Construction Change Directives.*

SNM/SVC/DA:djc

Attachment

c: Sonja Coley, Senior Project Manager, Construction  
Dave Archer, Project Manager III  
Audit Response File, Office of Facilities & Construction

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
OFFICE OF FACILITIES AND CONSTRUCTION**

**DESIGN AND CONSTRUCTION BULLETIN**

Issue Date: January 31, 2013

Best Practice Bulletin No.

Contract Bulletin No. 004 / 017

McGladrey Audit Finding No.

**Purpose:**

Establish a procedure to coordinate the issuance of the Notice to Proceed with the receipt of the Building Permit. See also CB 017.

**Issue:**

Revised Document 00550 to incorporate a placeholder for the Building Permit Number and established the procedure to prohibit issuance of a Notice to proceed without a Building Permit issued by the CBO.

Document 00550 issued to Project Managers and project Consultants. Currently posted on web site.


**Procedure:**


1. Include revised Document 00550 in all bidding documents
  - a. Responsible Parties
    - i. Project Manager
      1. Ensure the project Consultant has complied at Phase III 50% and 100% Construction Document submittals.
      2. Provide complete, duplication-ready Construction Documents, including Division 0 and 1 documents, to Design and Construction Contracts Department when Permit Approval Memo is issued by the CBO.
      3. Do not issue a Notice to Proceed without the appropriate, valid Building Permit for the Work encompassed in the Notice to Proceed.

**SECTION IV**  
**OFFICE OF THE GENERAL COUNSEL**

## MEMORANDUM

**TO:** Gerardo Usallan, Jr., Manager, Facility Audits, and  
Mr. William J. Wright, Manager, Facility Audits

**FROM:** Thomas C. Cooney, Assistant General Counsel 

**VIA:** J. Paul Carland, II, General Counsel 

**DATE:** September 27, 2013

**SUBJECT:** **Requests for Legal Opinion – Hewett-Kier Claims**  
**Cypress Elementary School - Project #1781 -24-0 I/P000346**  
**Palmview Elementary School - Project #1131-23-0I/P.000207**

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This is in response to memoranda from Messrs. Usallan and Wright dated August 8, 2013 requesting legal opinions regarding Hewett-Kier's contractual entitlement to extended general conditions for both of the above referenced projects.

The issues, contracts and legal questions are substantially similar for both projects; therefore, this memorandum synthesizes the requests into three basic questions as set forth below. Please note that question number 1 below is a threshold legal question, the answer to which determines the entitlement of Hewett-Kier to extended general conditions on both projects. Once the conclusion of non-entitlement was reached, further analysis of dates, amounts and facts became unnecessary.

**Question 1:** "Is Hewett-Kier entitled to Extended General Conditions as [it has] requested [on both projects]?"

**Answer:** No. The Construction Manager, Hewett-Kier (hereinafter, the "CM" or "Hewett-Kier") is not contractually entitled to extended general conditions based primarily upon its failure to strictly comply with the notice provisions contained in the contract between the parties. Notwithstanding such preclusion however, The School Board of Broward County, Florida (the "School Board") is not prohibited from approving additional compensation to the CM should it see fit to do so.

The School Board and the CM entered into valid and enforceable Agreements Between Owner and Construction Manager approved at the Regular School Board Meetings of July 24, 2007 (Palmview) and November 14, 2007 (Cypress). The terms of the Contracts are clear and unambiguous regarding claims for delay damages. Pursuant to Article 42.1, the CM agreed that the Owner will not be liable for any claim that the CM fails to submit as a Request for Change Order as provided in Article 42. Article 42 requires that:

The Construction Manager must submit a Notice of Claim to Owner within 20 days of when the Construction Manager was or should have been aware of the occurrence of the event giving rise to the claim; and

Within 10 days of submitting its Notice of Claim, the Construction Manager shall submit to the Owner its Request for Change Order, which shall include a written statement of all details of the claim, including a description of the work affected;

The Construction Manager agrees that the Owner shall not be liable for any claim that the Construction Manager fails to submit as a Request for Change Order as provided in this Article.

(Emphasis added).

Based on the documentation provided for review by the Office of the Chief Auditor, the CM failed to submit Notices of Claims to the School Board within 20 days of when it was aware or should have been aware of the occurrence of events giving rise to the claims. Further, the CM failed to submit its Requests for Change Orders within 10 days of submitting its Notices of Claims.

It is not the function of the courts to rewrite a contract or interfere with the freedom of contract or substitute their judgment for that of the parties thereto in order to relieve one of the parties from the apparent hardship of an improvident bargain. *Steiner v. Physicians Protective Trust Fund*, 388 So.2d 1064 (Fla. 3rd DCA 1980); *Beach Resort Hotel Corp., v. Wieder*, 79 So.2d 659 (Fla. 1955).

Whether a contract precludes recovery of claims for additional and unanticipated expenses incurred in performing the work is a pure question of law, to be answered by the examining language of the contract itself. *Zaklama v. Mount Sinai Medical Center*, 906 F.2d 650, 652 (11th Cir. 1990).

In *Inland Dredging Company, LLC v. Panama City Port Authority*, 2005 U.S. Dist. Lexis 43647 Northern District of Florida 2005, a dredging contractor encountered differing site conditions while performing its scope of work. The contractor put the owner on notice of the claim via written letter stating it was entitled to an adjustment pursuant to the contract. The owner disagreed that the contractor was entitled to an adjustment. The contractor paid a subcontractor an additional \$300,000 to perform work regarding the differing site conditions. At project end, the contractor brought suit against the owner alleging its entitlement to an adjustment based on the differing site conditions. The court ruled in favor of the owner as the contractor failed to provide written notice of the specifics of the claim [including dollar amount] within 30 days of discovering the differing site conditions. The contractor did put the owner on notice of the claim within 30 days but failed to specify the details and the

amount of the claim as required by contract. The court held "the contractor's claims are time barred for failure to comply with the contractual terms". The court also cites *Marriot*, supra.

In *Tuttle/White Constructors, Inc. V. State Dept. of General Services*, 371 So.2d 1096 (Fla. 1st DCA 1979), the First District Court upheld a decision barring a contractor from recovering on a delay claim that was not asserted within 20 days as required by contract.

**Question 2: "Did the Construction Manager, Hewett-Kier, comply with the General Conditions of the Contract Article 42, Notice of Claim: Waiver of Remedies; No Damages for Delay Clause?"**

**Answer:** No. As stated above and based on the documentation provided for review by the Office of the Chief Auditor, the CM failed to provide notice of its claims as required by Article 42 of the CM Agreement.

**Question 3: "Did the Construction Manager, Hewett-Kier waive his right to request additional time and the associated compensation [by executing Construction Change Directives] ...?"**

**Answer:** Yes. The documentation provided for review by the Office of the Chief Auditor did not indicate the existence of any unforeseen conditions which arose after the CM's execution of Construction Change Directives ("CCD"); therefore, the CM waived its right to request additional time and compensation for work associated with such CCDs. This conclusion is supported by the statement contained underneath the CM's signature block which states "*Signature by the Contractor indicates the Contractor's Agreement with the Proposed Adjustments in Contract Sum and Contract Time as set forth in this Construction Change Directive.*" Further, Item #2 under the Proposed Adjustments section of each CCD indicates that the Contract Time is to Remain Unchanged.

If any of the foregoing information upon which this opinion is based is incorrect, please notify this Office as changes in such information may require this Office to draw different conclusions.

TCC:tcc

**SECTION IV**  
**APPENDIX**

## **Abbreviations**

- CCD Construction Change Directive
- CCO Construction Change Order
- CM Construction Manager
- CO Change Order
- CSI Consultant's Supplemental Information
- F&CM Facilities and Construction Management Division
- GMP Guaranteed Maximum Price
- NTP Notice To Proceed
- OCA Office of the Chief Auditor
- OFC Office of Facilities & Construction (formerly F&CM see above)
- OR Owner's Request
- PM Project Manager
- SBBC School Board of Broward County
- ZMA Zelch & McMahon Architects