

# CHRONOLOGY OF THE AGENDA ITEM

## Change Order -Settlement Evergreen Construction Early Learning Center ES HVAC Projects

### **Scope:**

Approval of the Settlement and Final Payout to Evergreen Company - Change Order No. 3 – Early Learning Center ES HVAC and Controls Replacement Project 01530

### **Background:**

The following change orders were approved to Evergreen Construction:

- **Change Order #1 - Early Learning Center HVAC project-Not to exceed amount of \$140,683.08. (Board approval - November 11, 2024)**
- **Change Order #2 -Early Learning Center HVAC Project – Not to exceed \$24,482.00**

### **Review**

Pursuant to discussions with the Construction Manager and an internal evaluation of project records, DeKalb County School (DCSD) staff conducted a review of outstanding Legacy Change Order\* requests associated with the Early Learning Center HVAC project. The review focused on (1) contractual entitlement for the work performed and (2) compliance with DCSD authorization and Change Order Management procedures.

Notwithstanding these procedural deficiencies, DCSD staff's analysis indicates that limited entitlement exists for certain portions of the work reflected in the IOC\* requests; to resolve these matters efficiently and in a fiscally responsible manner, staff recommend the following negotiated compromise settlement amounts:

- **Early Learning Center HVAC Project: \$140,683.08**

### **Resolution**

Approval of this settlement will allow DCSD to close out outstanding IOC matters for these projects, maintain accurate financial records, and reinforce proper Change Order Management practices going forward.

**\*Items of Change (IOC):** refer to specific, documented alterations to the original project scope,, budget, or schedule, commonly formalized through [change orders](#). These adjustments often result from unforeseen site conditions, design revisions, material substitutions, or owner-driven changes to the project requirements

**\*Legacy Change Order:** older items (change orders) that are unresolved past changes (outstanding or pending) from earlier stages of a project that were not finalized or approved that are essential for documenting adjustments to the project.