

1 B. Change orders or addenda to public construction contracts of
2 over One Million Dollars (\$1,000,000.00) shall not exceed the
3 greater of One Hundred Fifty Thousand Dollars (\$150,000.00) or a ten
4 percent (10%) cumulative increase in the original contract amount.

5 C. Change orders or cumulative change orders which exceed the
6 limits of subsection A or B of this section shall require a
7 readvertising for bids on the incomplete portions of the contract.

8 D. If the awarding public agency does not have a governing
9 body, the chief administrative officer of the awarding public agency
10 shall approve change orders. The State Construction Administrator
11 of the Construction and Properties Division of the Office of
12 Management and Enterprise Services, or the Administrator's designee,
13 shall sign and execute all contracts and change orders, as they
14 relate to state agencies.

15 E. If the awarding public agency has a governing body, all
16 change orders shall be formally approved by the governing body of
17 the awarding public agency and the reasons for approval recorded in
18 the permanent records of the governing body. The governing body of
19 a municipality or technology center may delegate approval of change
20 orders up to Forty Thousand Dollars (\$40,000.00) or ten percent
21 (10%) of any contract, whichever is less, to the chief
22 administrative officer of the municipality or technology center or
23 their designee, with any approved change orders reported to the
24 governing body at the next regularly scheduled meeting.

1 F. The Oklahoma Veterans Commission, as the governing body of
2 the Oklahoma Department of Veterans Affairs, is authorized to
3 delegate to the Director of the agency the authority to approve
4 change orders on a construction contract provided that the
5 individual change order does not exceed Forty Thousand Dollars
6 (\$40,000.00) in expenditure, and complies with the limits
7 established by this section. Change orders approved by the Director
8 pursuant to a delegation of authority shall be presented to the
9 Commission during the next regular meeting and the reasons for the
10 orders recorded in permanent records.

11 ~~F.~~ G. The governing body of the Oklahoma Tourism and Recreation
12 Department is authorized, upon approval of a majority of all of the
13 members of the Oklahoma Tourism and Recreation Commission, to
14 delegate to the Director of the agency the authority to approve
15 change orders on a construction contract provided that the
16 individual change order does not exceed Twenty-five Thousand Dollars
17 (\$25,000.00) in expenditure and complies with the limits established
18 by this section. The Administrator of the Division shall sign and
19 execute all contracts and change orders.

20 ~~G.~~ H. The Transportation Commission may, by rule, authorize the
21 Director of the Department of Transportation to approve change
22 orders in an amount of not to exceed Five Hundred Thousand Dollars
23 (\$500,000.00). Change orders approved by the Director shall be
24 presented to the Transportation Commission during the next regular

1 meeting and the reasons therefor recorded in the permanent records.
2 The Oklahoma Turnpike Authority may authorize the Director of the
3 Authority to approve change orders in an amount not to exceed Two
4 Hundred Fifty Thousand Dollars (\$250,000.00). Change orders
5 approved by the Director of the Authority shall be presented to the
6 Authority during the next regular meeting and the reasons for the
7 orders recorded in permanent records.

8 ~~H.~~ I. All change orders for the Department of Transportation or
9 the Authority shall contain a unit price and total for each of the
10 following items:

- 11 1. All materials with cost per item;
- 12 2. Itemization of all labor with number of hours per operation
13 and cost per hour;
- 14 3. Itemization of all equipment with the type of equipment,
15 number of each type, cost per hour for each type, and number of
16 hours of actual operation for each type;
- 17 4. Itemization of insurance cost, bond cost, social security,
18 taxes, workers' compensation, employee fringe benefits and overhead
19 cost; and
- 20 5. Profit for the contractor.

21 ~~F.~~ J. 1. If a construction contract contains unit pricing, and
22 the change order pertains to the unit price, the change order will
23 not be subject to subsection A or B of this section.

24

1 2. When the unit price change does not exceed Twenty Thousand
2 Dollars (\$20,000.00), the unit price change order computation may be
3 based on an acceptable unit price basis in lieu of cost itemization
4 as required in paragraphs 1, 2, 3, 4 and 5 of subsection # I of this
5 section.

6 3. When the unit price change exceeds Twenty Thousand Dollars
7 (\$20,000.00), any unit price for a new item established at or below
8 the average eighteen-month-price history for the new item may be
9 used in lieu of cost itemization as required in paragraphs 1, 2, 3,
10 4 and 5 of subsection # I of this section.

11 ~~J~~ K. Alternates or add items bid with the original bid and
12 contained in the awarded contract as options of the awarding public
13 agency shall not be construed as change orders under the provisions
14 of the Public Competitive Bidding Act of 1974.

15 SECTION 2. This act shall become effective November 1, 2017.

16
17 COMMITTEE REPORT BY: COMMITTEE ON VETERANS AND MILITARY AFFAIRS,
18 dated 03/28/2017 - DO PASS.

19
20
21
22
23
24