

ODP-81-496
SAF-E276-81
20 April 1981

MEMORANDUM FOR: Chief, Real Estate and Construction
Division/OL

STAT FROM :
Director, Consolidated SAFE Project
Office/ODP

SUBJECT : SAFE Computer Center Renovation Change
Order Costs

REFERENCE : Your Memo for Chief, CSPO/ODP, dated
19 March 1981, Subject - Status of SAFE
Site Construction Costs

1. After reviewing the referenced memorandum, it appears that most of the SAFE renovation change orders are the result of inaccurate architectural and engineering design factors and/or architectural and engineering analysis oversights. It is imperative that more thorough analysis be performed on future work to avoid future increases in planned cost. Further, please provide quarterly reports to facilitate better accounting of SAFE Project funding obligations.

2. The eleven change orders, cited in the referenced memorandum, appear to fall into one or both of the categories, cited above. Inadequate analysis of Headquarters Building facilities and inaccurate architectural and engineering drawings apparently are the causes of most of these changes. As a result, the customer (NFAC) is required to provide indemnity funds for oversights of RECD, GSA, the architect and construction contractor. This procedure places a requirement for elastic funding which is not consistent with the budget process.

3. While unforeseen changes are apt to be required in an engineering and construction effort, change orders that result from an unsatisfactory design review process, prior to the construction contract bid and solicitation, should not be considered the responsibility of the customer. It would be expected that normal contingency provisions would cover infrequent occurrences of unforeseen changes.

4. In summary, our analysis of the referenced memorandum indicates that inadequate planning and analysis has led to an inordinate number of change orders and additional costs borne by the customer. It does not seem reasonable that the customer should be obligated to provide resources for this purpose. RECD and/or GSA should be obligated to fund for changes that are the result of their oversights.

5. It is requested that quarterly reports on change order activities and costs be provided so that we can better account for SAFE Project renovation funding. Further, please take actions to obtain funds from other than SAFE sources for changes that are the result of revisions not requested by the customer.



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Distribution:

Orig. + 1 - Addressee ✓
1 - D/ODP
1 - C/PP&ES/PMES/NFAC
1 - Chrono
1 - ODP Registry

ROUTING AND RECORD SHEET

STAT

SUBJECT: (Optional) Response TO [Redacted]		MEMO - PROJECT SAFE	
FROM: C/RECD		NO.	
		DATE 5/13/81	

TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		

1.	ED/OL	13 MAY 1981	EM	<p><i>Top of 140</i> <i>OK 140</i> <i>GO</i></p>
2.	DD/L	13 MAY 1981	<i>seen</i>	
3.	D/L	_____		
4.				

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5. **PER YOUR REQUEST, THE DRAFT OF THE PROPOSED**

6. **RESPONSE TO** [Redacted] **MEMORANDUM**

7. **IS ATTACHED FOR YOUR INFORMATION, REVIEW,**

8. **AND COMMENT PRIOR TO FINAL TYPING AND**

9. **RELEASE.**

10. **ALTHOUGH IT IS NOT EVIDENT FROM** [Redacted] **MEMORANDUM,**

11. **HE DID PROVIDE US WITH \$155,000 IN RESPONSE TO**

12. **MY MEMORANDUM DATED 18 MARCH (ALSO ATTACHED).**

13. **IN THAT MEMO, WE INDICATED A PROJECTED NEED OF \$139,000**

14. **FOR THE PROPOSED ²¹ CHANGE ORDERS AND APPROXIMATELY**

15. **\$16,000 FOR INCREASED CONTINGENCIES. NOTE CHANGE ORDER ON**

BUS DUCT INCLUDES BUS DUCT INSTALLATION FOR

STAT

BOTH PHASE I & PHASE II OF THIS PROJECT

①6 C/RECD 5/14/81

TONY 5/13/81

Date

ROUTING AND TRANSMISSION SLIP

Approved For Release 2005/08/03 : CIA-RDP86-01019R000200050025-2

TO: (Name, office symbol, room number, building, Agency/Post)		Initials	Date
1.	[Redacted]	[Signature]	4-28-81
2.	[Redacted]	[Signature]	4-28-81
3.	[Redacted]	[Signature]	4-28-81
4.	DIRECTOR OF LOGISTICS	[Signature]	21 MAY 81
5.	C/RECD.		

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

DAN:

I HAVE ALREADY ASKED HEB TO REVIEW IN DETAIL THE REASONS FOR EACH CHANGE ORDER IN RESPONSE TO [Redacted] MEMORANDUM. WE WILL ALSO PROVIDE YOU WITH COMMENTS ON THIS MATTER, AS YOU REQUESTED, CONSISTENT WITH THE ABOVE HEB REVIEW. IT SHOULD BE READY WITHIN A WEEK.

DO NOT use this form as a RECORD of approvals, concurrences, dispositions, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post) _____ Room No. _____ Bldg. _____

_____ Phone No. _____

4/28/81

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UNCLASSIFIED	CONFIDENTIAL	SECRET	
OFFICIAL ROUTING SLIP			
TO	NAME AND ADDRESS	DATE	INITIALS
1	EO/OL		SEEN
2	DD/L		SEEN
3	D/L	4-27-81	X
4	C/RECD		
5	EO/OL		
6	DD/L		
ACTION	DIRECT REPLY	PREPARE REPLY	
APPROVAL	DISPATCH	RECOMMENDATION	
COMMENT	FILE	RETURN	
CONCURRENCE	INFORMATION	SIGNATURE	
Remarks:			
D/L			
Tony,			
Please provide comments on the attached			
memorandum from 			
Thanks!			
			
4-27-81			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME, ADDRESS AND PHONE NO.			DATE
UNCLASSIFIED	CONFIDENTIAL	SECRET	

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