

## SCHEDULE 8.12(b)

### CHANGE ORDER PROCESS

This Schedule 8.12(b) is an appendix to the AMSA and sets forth the process and procedures for the handling and prioritizing change order pursuant to Section 8.12 of the AMSA.

#### 1. Definitions

1.1 *Defined Terms.* Capitalized terms not otherwise defined herein have the meanings ascribed to them in Schedule 1.1 of the AMSA.

- a) “**ABSBC COR Manager**” means the ABSBC Contract Manager.
- b) “**BCH COR Manager**” means the BCH Functional Owner that raises a Change Order Request pertaining to his or her Service Category.
- c) “**Priority 1 Level Change Order Request**” means any Change Order Request that is raised to address an issue involving: (x) a significant impact on a Critical Service Level, (y) any impacts on more than one Critical Service Level, or (z) a material impact on safety or the environment.
- d) “**Priority 2 Level Change Order Request**” means any Change Order Request that is raised to address an issue involving a moderate: (w) impact on a Critical Service Level, (x) deviation from the time, budget or resources of a project, (y) a moderate change to BCH’s business or, (z) impact on the provision of Services by ABSBC if it is not implemented in a timely manner.
- e) “**Priority 3 Level Change Order Request**” means any Change Order Request that has no material impact to a project, work initiative, or Service Level.
- f) “**Priority 4 Change Level Order Request**” means any Change Order Request that has no negative impact to a project, work initiative or Service Level.
- g) “**Priority Rating**” means the rating assigned by the COR Manager.

#### 2. General Provisions

##### 2.1 General

- a) The ABSBC Contract Manager shall be the single point of contact for all Change Order Requests and shall be responsible for all Change Order Request regardless of the BCH Functional Owner or Service Category or Domain and for the purposes of this Schedule shall be identified as the ABSBC COR Manager.
- b) The BCH Functional Owner shall be the single point of contact for all Change Order Requests involving their particular Service Category or Domain and for the purposes of this Schedule shall be identified as the BCH COR Manager.

- c) Any time lines prescribed in this Schedule may be amended upon the mutual agreement of the COR Managers.
- d) Any reference to days in this Schedule shall mean a Monday through Friday excluding BCH statutory holidays.

2.2 *Process.* Pursuant to Section 8.12(b) the process by which Change Order Requests shall be resolved and escalated (if necessary) is as follows:

- a) *Form.* Change Order Requests regardless of origin will be in writing using a standard form mutually agreed to by the Parties.
- b) *Prioritization.* The process by which Change Order Requests are prioritized shall be as follows:
  - (i) Each Change Order Request must contain a Priority Rating. In the event that the ABSBC COR Manager does not agree with the Priority Rating assigned to the Change Order Request, the COR Managers will meet to discuss. If the COR Managers agree, the rating will be changed. If the COR Managers cannot agree to the Priority Rating assigned to the Change Order Request, the BCH Manager shall assign the Priority Rating to the Change Order Request. If ABSBC believes, acting reasonably and in good faith, that any BCH COR Manager has repeatedly failed to establish reasonable Priority Ratings for Change Order Requests involving their Service Category, the matter may be escalated to the ABSBC Contract Executive and the BCH Contract Executive for consideration.

2.3 *Response Times.* Pursuant to Section 8.12(b), and as illustrated in the Attachment A attached hereto, the timelines in which Change Order Requests shall be raised, responded to and escalated (if necessary) are as follows:

- a) The ABSBC COR Manager or BCH COR Manager (as the case may be) raising the request will send the Change Order Request to the other COR Manager in electronic format. The receiving COR Manager shall electronically acknowledge receipt and resolve questions regarding the Priority Rating assigned to the Change Order Request within 2 days. In the case of a Priority 1 Level Change Order, the time line for acknowledgement and resolution of Priority Level shall be 1 day.
- b) A response to the Change Order Request in the form of a Change Analysis will be sent to the BCH COR Manager within the following prescribed time frame depending on the Priority level:

- i. The response time for a Priority 1 Level Change Order Request shall be 2 days.
  - ii. The response time for a Priority 2 Level Change Order Request shall be 4 days.
  - iii. The response time for a Priority 3 Level Change Order Request shall be 10 days.
  - iv. The response time for a Priority 4 Level Change Order Request shall be 15 days.
- c) The BCH COR Manager can accept, reject or seek modification of the Change Analysis and will do one of the foregoing by providing details in writing within the following prescribed time frame depending on the Priority level:
- i. The response time to a Change Analysis for a Priority 1 Level Change Order Request shall be 2 days.
  - ii. The response time to a Change Analysis for a Priority 2 Level Change Order Request shall be 3 days.
  - iii. The response time to a Change Analysis for a Priority 3 Level Change Order Request shall be 4 days.
  - iv. The response time to a Change Analysis for a Priority 4 Level Change Order Request shall be 5 days.

If the recipient does not accept, reject, or seek modification of the Change Analysis within the prescribed time frame set out above, absent agreement of the COR Managers, the Change Order Request shall terminate. The failure to respond shall not constitute a dispute. If the recipient of the Response rejects the Response, the COR will terminate.

The ABSBC COR Manager shall respond to the request for modifications in writing within the prescribed time frame set out below:

- v. The response time to a Change Analysis for a Priority 1 Level Change Order Request shall be 2 days.
- vi. The response time to a Change Analysis for a Priority 2 Level Change Order Request shall be 3 days.
- vii. The response time to a Change Analysis for a Priority 3 Level Change Order Request shall be 4 days.
- viii. The response time to a Change Analysis for a Priority 4 Level Change Order Request shall be 5 days.

The COR Managers will meet on an as needed basis to resolve issues associated with the requested modifications, such meetings to be co-terminus with the foregoing time frames. If the parties are unable to resolve the issues within the foregoing time frames, either Party may invoke the Change Order Dispute process within 5 days.

- d) If the recipient accepts the Change Analysis, a Change Order will be prepared by the ABSBC COR Manager and provided to the BCH COR Manager within the following prescribed time frame depending on the Priority level:
  - i. The response time to prepare a Change Order for a Priority 1 Level Change Order Request shall be 2 days.
  - ii. The response time to prepare a Change Order for a Priority 2 Level Change Order Request shall be 3 days.
  - iii. The response time to prepare a Change Order for a Priority 3 Level Change Order Request shall be 4 days.
  - iv. The response time to prepare a Change Order for a Priority 4 Level Change Order Request shall be 5 days.
  
- e) The accepted Change Order will be signed by the BCH COR Manager within the following prescribed time frame depending on the Priority level:
  - i. The response time to prepare a Change Order for a Priority 1 Level Change Order Request shall be 1 days.
  - ii. The response time to prepare a Change Order for a Priority 2 Level Change Order Request shall be 2 days.
  - iii. The response time to prepare a Change Order for a Priority 3 Level Change Order Request shall be 2 days.
  - iv. The response time to prepare a Change Order for a Priority 4 Level Change Order Request shall be 3 days.
  
- f) No changes will commence until either the Change Order is signed or the Change Order Dispute process is invoked.

2.4 *Maximum Time Lines.* Unless specifically agreed to by the parties in writing, the maximum time frame from receipt of a Change Order Request to sign off of the Change Order shall be as follows:

- i. Priority 1 Level Change Order Request shall be 10 days.
- ii. Priority 2 Level Change Order Request shall be 17 days.
- iii. Priority 3 Level Change Order Request shall be 25 days.
- iv. Priority 4 Level Change Order Request shall be 35 days.

### **3. COR Governance Metrics**

Both parties are expected to comply with the time frames described above and each party's compliance will be measured and the respective performance levels compared and reported on to the Executive Steering Committee on a quarterly basis.

**4. Minor Service Changes**

- a) The Change Order process for Change Orders involving Minor Service Changes shall be as set forth in Sections 8.12(f) and (h) of the AMSA.
- b) Any Disputes involving Change Orders for Minor Service Changes shall be resolved by the ABSBC Contract Manager and the BCH Contract Manager and shall not follow the dispute resolution process set out in Article 18 of the AMSA.

**5. Change Orders under \$50,000.**

Change Orders valued at \$50,000 or less shall follow a streamlined Change Order process as follows:

- i. Change Order Request shall be communicated to the ABSBC COR Manager.
- ii. ABSBC COR Manager shall prepare and communicate to BCH a written estimate within 5 business days.
- iii. BCH shall verbally communicate its approval of the Change Order to the ABSBC COR Manager within 5 business days.
- iv. ABSBC shall prepare a short form Change Order within 5 business days confirming the agreement of the parties to proceed with the work.

**Attachment A**

**Response Times**

<b>Priority</b>	<b>Electronically Acknowledge Receipt of Change Order Request and Agreement on Priority (business days)</b>	<b>Change Order Analysis Prepared and Delivered (business days)</b>	<b>Change Order Analysis Accepted/Rejected or Modifications requested (business days)</b>	<b>Modifications to Change Order Analysis Made and Accepted (business days)</b>	<b>Change Order Prepared (business days)</b>	<b>Change Order signed by BCH COR Mgr (business days)</b>	<b>Total number of elapsed business days (business days)</b>
<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>10</b>
<b>2</b>	<b>2</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>17</b>
<b>3</b>	<b>2</b>	<b>10</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>25</b>
<b>4</b>	<b>2</b>	<b>15</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>3</b>	<b>35</b>