

EXHIBIT A
CHANGE ORDER



RISE Residential Construction Riverside, LLC
16812 Dallas Parkway
Dallas, Texas 75248
Phone: (972) 701-5555

Project: 2020-LRFW - Riverside Senior Living
8000 N Riverside Dr.
Fort Worth, Texas 76137

Prime Contract Change Order #022: CE #200 - Increase Request

TO:	TX Riverside Seniors, LP 16815 Dallas Parkway Dallas, TX 75248, Texas 75248	FROM:	Rise Residential Construction Riverside, LLC 16812 Dallas Parkway Dallas, Texas 75248
DATE CREATED:	07/20/2024	CREATED BY:	Shayla Cerrone (Rise Residential Construction)
CONTRACT STATUS:	Approved	REVISION:	0
REQUEST RECEIVED FROM:		LOCATION:	
DESIGNATED REVIEWER:		REVIEWED BY:	
DUE DATE:		REVIEW DATE:	07/20/2024
INVOICED DATE:		PAID DATE:	
REFERENCE:		CHANGE REASON:	Other: Please specify the reason by entering the reason in the "Other: Reason" field
PAID IN FULL:	No	EXECUTED:	Yes
ACCOUNTING METHOD:	Amount Based	SCHEDULE IMPACT:	
SIGNED CHANGE ORDER RECEIVED DATE:			
FIELD CHANGE:	No	CONTRACT FOR:	20-0168:Legacy Riverside Senior Living
		TOTAL AMOUNT:	\$14,831,029.59

DESCRIPTION:
CE #200 - Increase Request

ATTACHMENTS:

CHANGE ORDER LINE ITEMS:

#	Budget Code	Description	Amount
1	01.01-310010.LABOR General Conditions.Project Management.Labor		\$234,362.32
2	01.01-310030.LABOR General Conditions.Superintendent.Labor		\$150,654.65
3	01.01-310035.LABOR General Conditions.Assistant Superintendent.Labor		\$157,329.60
4	01.01-310040.LABOR General Conditions.Field Administrative Staff.Labor		\$74,715.38
5	01.01-310045.OTHER General Conditions.Payroll Burden.Other		\$88,531.88
6	01.01-310050.OTHER General Conditions.Travel Expenses.Other		\$24,186.00
7	01.01-323310.OTHER General Conditions.Photography and Video.Other		\$4,918.60
8	01.01-331310.OTHER General Conditions.Insurance - Builders Risk.Other		\$73,611.75



#	Budget Code	Description	Amount
9	01.01-331315.OTHER General Conditions.Insurance - General Liability.Other		\$44,700.00
10	01.01-352310.OTHER General Conditions.Safety and First Aid.Other		\$11,064.25
11	01.01-355300.OTHER General Conditions.Security.Other		\$63,892.67
12	01.01-510010.OTHER General Conditions.Temporary Electric.Other		\$37,792.42
13	01.01-510030.OTHER General Conditions.Temporary Water.Other		\$34,100.00
14	01.01-510040.OTHER General Conditions.Temporary Phone, Internet.Other		\$1,612.40
15	01.01-511330.OTHER General Conditions.Software.Other		\$23,000.00
16	01.01-521310.OTHER General Conditions.Field Offices.Other		\$14,911.22
17	01.01-521315.OTHER General Conditions.Temporary Toilets.Other		\$5,000.00
18	01.01-521320.OTHER General Conditions.Office Supplies and Equipment.Other		\$2,918.60
19	03.03-540010.MAT Concrete.Lightweight/Gypcrete.Materials		\$379,600.00
20	04.04-000010.SUB Masonry.Masonry.Subcontracts		\$368,909.17
21	05.05-511300.SUB Metals.Metal Pan Stairs & Rails.Subcontracts		\$373,085.00
22	05.05-540010.SUB Metals.Perimeter Fence.Subcontracts		\$159,990.00
23	06.06-175300.MAT Wood & Plastics.Trusses.Materials		\$489,905.84
24	06.06-460000.MAT Wood & Plastics.Finish Trim Carpentry - Material.Materials		\$486,630.26
25	06.06-460004.SUB Wood & Plastics.Finish Trim Carpentry - Labor.Subcontracts		\$230,490.00
26	07.07-211610.SUB Thermal & Moisture Protection.Batt Insulation.Subcontracts		\$391,000.00
27	07.07-311300.SUB Thermal & Moisture Protection.Shingles.Subcontracts		\$234,709.67
28	07.07-712300.MAT Thermal & Moisture Protection.Gutters and Downspouts.Materials		\$50,000.00
29	08.08-140002.MAT Doors & Windows.Doors - Interior.Materials		\$159,597.72
30	08.08-161400.MAT Doors & Windows.Doors - Exterior.Materials		\$212,400.00
31	08.08-531300.MAT Doors & Windows.Windows.Materials		\$84,605.95
32	08.08-800000.SUB Doors & Windows.Glass and Glazing.Subcontracts		\$37,000.00
33	09.09-000040.SUB Finishes.Drywall.Subcontracts		\$455,805.00
34	09.09-301300.MAT Finishes.Ceramic.Materials		\$107,000.00
35	09.09-651900.SUB Finishes.Vinyl.Subcontracts		\$508,060.75
36	09.09-800000.SUB Finishes.Clubhouse Flooring.Subcontracts		\$30,000.00
37	09.09-912300.SUB Finishes.Painting.Subcontracts		\$230,000.00
38	10.10-140000.SUB Specialties.Exterior Signs.Subcontracts		\$23,600.00
39	10.10-140010.SUB Specialties.Interior Signs.Subcontracts		\$13,600.00



#	Budget Code	Description	Amount
40	10.10-140020.SUB Specialties.Monument Sign.Subcontracts		\$35,000.00
41	10.10-281300.MAT Specialties.Toilet Accessories.Materials		\$20,012.46
42	10.10-550000.SUB Specialties.Postal Equipment.Subcontracts		\$70,000.00
43	10.10-572313.SUB Specialties.Closet and Utility Shelving.Subcontracts		\$36,745.00
44	11.11-310000.MAT Equipment.Kitchen Appliances.Materials		\$219,200.00
45	11.11-310010.MAT Equipment.Residential Laundry Equipment: Material.Materials		\$264,000.00
46	11.11-681300.SUB Equipment.Playground Equipment.Subcontracts		\$100,000.00
47	12.12-353013.MAT Furnishings.Cabinets.Materials		\$659,000.00
48	12.12-353015.MAT Furnishings.Granite.Materials		\$144,258.00
49	12.12-930000.MAT Furnishings.Site Furnishings.Materials		\$78,624.57
50	13.13-000020.SUB Special Construction.Carports.Subcontracts		\$528,000.00
51	13.13-000040.SUB Special Construction.Maintenance Facility.Subcontracts		\$30,000.00
52	13.13-000050.SUB Special Construction.Mail Kiosks.Subcontracts		\$34,174.51
53	13.13-000080.SUB Special Construction.Sport Court.Subcontracts		\$100,000.00
54	13.13-000090.SUB Special Construction.Gazebos.Subcontracts		\$50,000.00
55	13.13-110000.SUB Special Construction.Pools and Pool Equipment.Subcontracts		\$576,963.00
56	14.14-240000.SUB Conveying Systems.Elevators.Subcontracts		\$503,041.00
57	21.21-100000.SUB Fire Protection.Fire Sprinkler.Subcontracts		\$513,103.32
58	22.22-000010.SUB Plumbing.Plumbing.Subcontracts		\$585,050.00
59	22.22-000020.MAT Plumbing.Plumbing Fixtures.Materials		\$147,460.34
60	22.22-000090.SUB Plumbing.Hot Water Heaters.Subcontracts		\$199,600.00
61	22.22-000100.SUB Plumbing.Tub Repairs.Subcontracts		\$3,400.00
62	22.22-000110.SUB Plumbing.Sub-Metering (Water).Subcontracts		\$28,848.00
63	23.23-000010.SUB HVAC.HVAC.Subcontracts		\$1,062,700.00
64	23.23-000080.SUB HVAC.Testing, Balancing, Adjusting.Subcontracts		\$125,000.00
65	26.26-000010.SUB Electrical.Electrical.Subcontracts		\$856,545.74
66	26.26-000040.MAT Electrical.Electrical Fixtures.Materials		\$600,000.00
67	28.28-000020.SUB Electronics Safety.Access Control.Subcontracts		\$34,000.00
68	32.32-172300.SUB Exterior Improvements.Pavement Marking.Subcontracts		\$60,000.00
69	32.32-800000.SUB Exterior Improvements.Irrigation Systems.Subcontracts		\$184,598.39

#	Budget Code	Description	Amount
70	32.32-930000.SUB Exterior Improvements.Landscaping.Subcontracts		\$52,666.40
71	50.50-000010.ZCOSTS Fees.Overhead.ZCOSTS		\$233,936.94
72	50.50-000020.ZCOSTS Fees.GC Fee.ZCOSTS		\$621,810.82
Grand Total:			\$14,831,029.59

The original (Contract Sum)	\$33,500,000.00
Net change by previously authorized Change Orders	\$6,668,970.41
The contract sum prior to this Change Order was	\$40,168,970.41
The contract sum will be increased by this Change Order in the amount of	\$14,831,029.59
The new contract sum including this Change Order will be	\$55,000,000.00
The contract time will not be changed by this Change Order.	

Dan Burbine (Dan Burbine Associates)

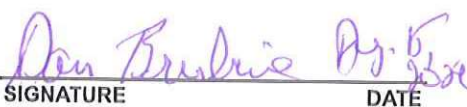
12532 Renoir Ln.
Dallas, Texas 75230

TX Riverside Seniors, LP

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Dallas, TX 75248, Texas 75248

Rise Residential Construction Riverside, LLC

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Dallas, Texas 75248


SIGNATURE DATE


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This project began in 2020 at the onset of the COVID-19 pandemic. Over the past four years, we have experienced significant challenges stemming from labor shortages, supply chain disruptions, and rising material prices. These challenges have contributed to consistent cost increases of 15-20% per year across various aspects of the construction process. Despite these difficulties, we are now approaching the final stages of the project, with a projected total buyout of \$55MM. The following breakdown provides detailed explanations for the line item changes, reflecting adjustments made to account for current market conditions and the complexities encountered over the course of the project.

Below we'll go over the cost increases.

1.3 Project Management

- **Change:** \$234,362.32
- **Explanation:** Project management costs increased significantly due to the rising demand for experienced managers to navigate material shortages, labor issues, and regulatory hurdles. Given the complexity of the project and market conditions, managing these challenges required more time and resources than anticipated.

1.4 Superintendent

- **Change:** \$150,654.65
- **Explanation:** Supervision of construction became more expensive due to the need for increased on-site oversight, especially as schedules were delayed and work progressed in phases. The competitive labor market also drove up wages for qualified superintendents, reflecting the broader trend in construction labor costs.

1.5 Assistant Superintendent

- **Change:** \$157,329.60
- **Explanation:** Assistant superintendents played a critical role in daily operations, helping to coordinate contractors, workers, and suppliers. The costs for this role increased as a reflection of the additional responsibilities taken on during times of labor shortages and operational challenges.

1.7 Field Administrative Staff

- **Change:** \$74,715.38
- **Explanation:** Field administrative costs increased due to the growing demand for documentation, compliance, and coordination with various contractors and vendors. The administrative team handled procurement, invoicing, and scheduling in an environment where delays and material shortages became routine, driving up the workload and associated costs.

1.8 Payroll Burden

- **Change:** \$88,531.88
- **Explanation:** Payroll costs rose in part due to increased wages, benefits, and taxes, which reflect broader trends in the construction industry. With labor in short supply, payroll expenses escalated, especially as retaining skilled workers became a priority for keeping the project on track.

1.9 Travel Expenses

- **Change:** \$24,186.00
- **Explanation:** Increased travel expenses were driven by the need for more site visits and coordination between stakeholders. As issues with materials, labor, and inspections arose, it became necessary for more frequent travel by key personnel to ensure the project stayed on course.

1.10 Photography and Video

- **Change:** \$4,918.60
- **Explanation:** Documenting the project became more crucial as remote stakeholders needed regular updates. Professional photography and videography services were expanded to provide real-time progress reports, increasing costs slightly.

1.11 Insurance - Builders Risk

- **Change:** \$73,611.75
- **Explanation:** Insurance premiums rose due to increased risks in the construction sector, especially for material theft and weather-related damage. Builders' risk insurance became more expensive across the industry, reflecting the rising cost of claims and construction delays.

1.12 Insurance - General Liability

- **Change:** \$44,700.00
- **Explanation:** Liability insurance costs increased due to higher exposure to third-party claims, particularly as construction timelines stretched and risks of on-site incidents grew. Rising legal and insurance costs in the industry further contributed to this increase.

1.14 Termite & Pest Control

- **Change:** \$11,064.25

- **Explanation:** Extended periods of construction exposed materials to environmental hazards like pests. Additional pest control services were required to protect building materials, which increased the overall cost.

1.15 Security

- **Change:** \$63,892.67
- **Explanation:** Site security costs increased as material theft and vandalism became more frequent concerns. Extra security personnel and surveillance equipment were required to safeguard materials and equipment left on-site.

1.17 Temporary Electric

- **Change:** \$37,792.42
- **Explanation:** Temporary power solutions became more expensive due to rising utility costs and the need for extended power availability to support construction activities. The growing demand for energy across industries contributed to the higher expense.

1.18 Temporary Water

- **Change:** \$34,100.00
- **Explanation:** The extended need for water on-site, both for construction use and worker sanitation, resulted in higher costs for temporary water services. As utility rates increased, this line item required adjustment.

1.19 Temporary Phone, Internet

- **Change:** \$1,612.40
- **Explanation:** Temporary communication services became essential for coordinating the various teams working on-site and remotely. With construction activities lasting longer than anticipated, the costs of maintaining phone and internet services grew.

1.20 Software

- **Change:** \$23,000.00
- **Explanation:** Project management software and design tools required extended subscriptions and licenses. As digital tools became more important for coordination and tracking, this line item increased to support the growing reliance on software.

1.21 Field Offices

- **Change:** \$14,911.22
- **Explanation:** Costs for maintaining and outfitting field offices grew as administrative needs expanded. The field offices became crucial for managing documentation, meetings, and project coordination, leading to additional costs for equipment and supplies.

1.22 Temporary Toilets

- **Change:** \$5,000.00
- **Explanation:** Sanitation services became more expensive as the project timeline extended, requiring additional rentals and servicing for portable toilets on-site. The health and safety of workers remained a priority, driving up these costs.

1.23 Office Supplies and Equipment

- **Change:** \$2,918.60
- **Explanation:** The cost of office supplies and equipment increased to meet the demands of ongoing administrative operations. This included everything from stationery to computers needed to support the administrative staff managing the project.

2.2 Lightweight/Gypcrete

- **Change:** \$379,600.00
- **Explanation:** The cost of lightweight concrete surged due to increased demand for building materials and supply chain disruptions. Gypcrete is often used for leveling and fireproofing, both of which were essential for this project, leading to higher expenses.

3.1 Masonry

- **Change:** \$368,909.17
- **Explanation:** Brick and mortar costs rose due to supply shortages and increased labor costs. Masonry work is labor-intensive, and the combination of higher wages and material price hikes led to this cost adjustment.

4.1 Metal Pan Stairs & Rails

- **Change:** \$373,085.00
- **Explanation:** Steel prices have been on the rise for several years, and the custom fabrication of metal pan stairs and rails further increased this cost. The complexity of installation and the skilled labor required added to the overall expense.

4.3 Perimeter Fence

- **Change:** \$159,990.00
- **Explanation:** The cost of perimeter fencing rose due to material price increases and the need for additional fencing to secure a larger area of the site. Steel and wood fencing materials saw price hikes during the construction period, contributing to the higher expense.

5.3 Trusses

- **Change:** \$489,905.84
- **Explanation:** Lumber prices, which spiked during the past few years, drove up the cost of trusses. Additionally, the complexity of roof structures and the need for custom fabrication increased the overall cost for trusses in this project.

5.4 Finish Trim Carpentry - Material

- **Change:** \$486,630.26
- **Explanation:** The price of materials for finish carpentry rose sharply due to market conditions and supply chain disruptions. High-quality wood for trim work became more expensive, driving up this line item.

5.5 Finish Trim Carpentry - Labor

- **Change:** \$230,490.00
- **Explanation:** Labor costs for finish carpentry increased as skilled workers became harder to find. The demand for detailed, high-quality finish work meant paying a premium to secure top-tier carpenters for the project.

6.2 Batt Insulation

- **Change:** \$391,000.00
- **Explanation:** Insulation material prices rose sharply due to demand for energy-efficient building materials. Batt insulation plays a crucial role in thermal regulation, and the rising costs of raw materials contributed to this increase.

6.3 Shingles

- **Change:** \$234,709.67
- **Explanation:** The cost of roofing materials, particularly shingles, increased as demand for roofing products soared. Shingles made from asphalt and fiberglass saw price hikes, leading to the adjustment in this line item.

6.5 Gutters and Downspouts

- **Change:** \$50,000.00
- **Explanation:** Gutter and downspout materials, especially metals like aluminum, experienced price increases. The rising cost of fabrication and installation also contributed to the higher expense.

7.1 Doors - Interior

- **Change:** \$159,597.72
- **Explanation:** The cost of interior doors rose due to higher material prices, especially for custom door frames and finishes. The need for additional units further drove up costs.

7.2 Doors - Exterior

- **Change:** \$212,400.00
- **Explanation:** Exterior door costs increased due to rising material prices for more secure and weather-resistant door options. Additionally, delays in delivery contributed to increased costs for sourcing materials.

7.3 Windows

- **Change:** \$84,605.95
- **Explanation:** Window costs rose due to supply chain issues and the increased demand for energy-efficient windows.

7.5 Glass and Glazing

- **Change:** \$37,000.00
- **Explanation:** The glass and glazing cost increase is attributed to higher prices for glass materials and installation. Specialty glass for larger windows and entryways, as well as the labor needed for precise installation, contributed to this rise in cost.

8.1 Drywall

- **Change:** \$455,805.00
- **Explanation:** The cost of drywall increased as a result of the surge in material prices driven by supply shortages. The labor-intensive nature of drywall installation, combined with the need for large quantities, also led to a significant rise in this line item.

8.2 Ceramic

- **Change:** \$107,000.00

- **Explanation:** Ceramic tile prices increased due to higher import costs and demand for high-quality flooring materials. Installation is also labor-intensive, which contributed to the higher cost for this line item.

8.3 Vinyl

- **Change:** \$508,060.75
- **Explanation:** The cost of vinyl flooring rose due to the increased price of petrochemicals, which are used in vinyl production. The rising cost of oil directly impacted vinyl products, and demand for durable, easy-to-install flooring contributed to this significant increase.

8.4 Clubhouse Flooring

- **Change:** \$30,000.00
- **Explanation:** The cost of clubhouse flooring increased as premium materials became more expensive. Supply chain issues for specialty flooring and the need for professional installation services also contributed to this higher cost.

8.5 Painting

- **Change:** \$230,000.00
- **Explanation:** The cost of painting increased due to the rising price of paint and labor. Paint suppliers experienced supply chain issues, which drove up the cost of premium paint products. Skilled labor for detailed and large-scale painting projects also became more expensive.

9.2 Exterior Signs

- **Change:** \$23,600.00
- **Explanation:** Exterior sign costs increased as a result of higher material prices for signage components like metal and acrylic. Custom signage fabrication and installation also contributed to the rising cost.

9.3 Interior Signs

- **Change:** \$13,600.00
- **Explanation:** Similar to exterior signs, interior sign costs increased due to higher material and installation expenses. Custom interior signs were needed to meet building code requirements, driving up costs.

9.4 Monument Sign

- **Change:** \$35,000.00

- **Explanation:** The cost of the monument sign increased due to rising material prices and specialized labor for installation. Custom monument signage, which is often large and detailed, requires specific materials and craftsmanship that contributed to the overall cost increase.

9.6 Toilet Accessories

- **Change:** \$20,012.46
- **Explanation:** The cost of toilet accessories rose due to the need for additional fixtures, as well as price increases for stainless steel and other durable materials used in public restroom accessories.

9.8 Postal Equipment

- **Change:** \$70,000.00
- **Explanation:** Postal equipment costs surged as a result of increased material prices and installation complexity. Modern multi-unit mailboxes required for large developments are more expensive due to their secure design and rising steel prices.

9.9 Closet and Utility Shelving

- **Change:** \$36,745.00
- **Explanation:** The cost of shelving increased due to rising prices for materials like wood and metal. The need for custom shelving solutions also contributed to the higher labor costs for installation.

10.1 Kitchen Appliances

- **Change:** \$219,200.00
- **Explanation:** The cost of kitchen appliances experienced a significant increase due to market-driven price hikes in appliance packages. Supply chain disruptions, coupled with increased demand for high-quality appliances, pushed this line item higher.

10.2 Residential Laundry Equipment: Material

- **Change:** \$264,000.00
- **Explanation:** Residential laundry equipment costs rose due to a combination of higher material prices and limited availability of appliances. The need for commercial-grade machines further increased the overall expense.

10.3 Playground Equipment

- **Change:** \$100,000.00

- **Explanation:** Playground equipment prices increased due to the rising cost of durable materials like plastic and metal. The need for additional features, such as safety surfacing and specialty structures, contributed to the overall cost increase.

11.1 Cabinets

- **Change:** \$659,000.00
- **Explanation:** Cabinet costs soared due to higher prices for high-quality wood and custom cabinetry work. The demand for premium finishes and the complexity of the design contributed to the significant increase in this line item.

11.2 Granite

- **Change:** \$144,258.00
- **Explanation:** The cost of granite countertops increased as a result of higher prices for natural stone and rising shipping costs for heavy materials. The demand for high-end finishes in kitchens and bathrooms also contributed to this rise.

11.3 Site Furnishings

- **Change:** \$78,624.57
- **Explanation:** The cost of site furnishings, including outdoor benches, tables, and other common-area items, increased due to the rising price of materials like metal and wood. Custom outdoor furniture was needed to match the aesthetic of the development, adding to the overall cost.

12.1 Carports

- **Change:** \$528,000.00
- **Explanation:** The cost of carports increased due to higher prices for steel and roofing materials. The need for additional carports to accommodate tenant parking added to the overall expense.

12.2 Maintenance Facility

- **Change:** \$30,000.00
- **Explanation:** The cost of building a maintenance facility rose due to higher material prices and labor costs. The addition of specific maintenance equipment also contributed to the increase.

12.3 Mail Kiosks

- **Change:** \$34,174.51

- **Explanation:** The cost of mail kiosks increased due to the need for custom-built, secure mail systems that meet postal service requirements. Rising material prices, particularly for steel and concrete, further added to the cost.

12.4 Sport Court

- **Change:** \$100,000.00
- **Explanation:** The cost of constructing the sport court increased due to higher material and labor costs. Specialized surfaces and equipment, such as nets and fencing, contributed to the higher overall expense.

12.5 Gazebos

- **Change:** \$50,000.00
- **Explanation:** The cost of building gazebos increased due to the rising price of wood and other building materials. The need for additional structures to enhance common areas also contributed to the increased cost.

12.6 Pools and Pool Equipment

- **Change:** \$576,963.00
- **Explanation:** Pool costs rose significantly due to the high cost of labor and materials. The addition of pool equipment and systems, such as filtration and heating, also contributed to the substantial increase.

13.1 Elevators

- **Change:** \$503,041.00
- **Explanation:** The cost of installing elevators increased due to the rising price of mechanical systems and electrical components. Elevators require specialized labor for installation, further driving up the overall expense.

14.1 Fire Sprinkler

- **Change:** \$513,103.32
- **Explanation:** Fire sprinkler system costs increased due to higher material prices and labor for installation. The need to comply with updated fire safety codes and regulations also contributed to this rise in cost.

15.1 Plumbing

- **Change:** \$585,050.00

- **Explanation:** Plumbing costs rose significantly due to increased material prices for pipes and fixtures. Labor costs for skilled plumbers also increased, particularly as the demand for complex plumbing systems grew.

15.2 Plumbing Fixtures

- **Change:** \$147,460.34
- **Explanation:** Plumbing fixture costs increased as a result of rising prices for high-quality fixtures. Supply chain disruptions and the need for durable, aesthetically pleasing fixtures contributed to the cost increase.

15.3 Hot Water Heaters

- **Change:** \$199,600.00
- **Explanation:** The cost of hot water heaters rose due to the higher price of energy-efficient models and increased installation complexity. The growing demand for systems that reduce energy consumption further pushed up costs.

15.4 Tub Repairs

- **Change:** \$3,400.00
- **Explanation:** Tub repair costs increased due to the need for specialized labor to complete the repairs. Replacement materials, such as enamel and fiberglass, also contributed to the higher expense.

15.5 Sub-Metering (Water)

- **Change:** \$28,848.00
- **Explanation:** The cost of water sub-metering systems increased due to rising material prices and the complexity of installation. These systems are critical for tracking individual water usage, and the demand for such systems has grown as utility costs increase.

16.1 HVAC

- **Change:** \$1,062,700.00
- **Explanation:** HVAC system costs increased significantly due to the higher price of mechanical equipment and labor. The need for energy-efficient systems that meet modern standards also contributed to this substantial rise in cost.

16.2 Testing, Balancing, Adjusting

- **Change:** \$125,000.00
- **Explanation:** The cost for testing, balancing, and adjusting HVAC systems increased as a result of more stringent regulatory requirements and the need for additional

certifications. These services are necessary to ensure that all mechanical systems, including HVAC, operate at optimal efficiency, which required specialized technicians and equipment.

17.1 Electrical

- **Change:** \$856,545.74
- **Explanation:** Electrical installation costs rose due to increased demand for skilled electricians and the higher price of electrical materials such as copper wiring and conduit. Supply chain disruptions affected the availability of these essential materials, pushing prices higher. Additionally, there were added costs for meeting updated energy and safety standards, which required more advanced electrical systems.

17.5 Electrical Fixtures

- **Change:** \$600,000.00
- **Explanation:** Electrical fixture costs increased due to the rising price of lighting and power fixtures, particularly energy-efficient LED systems, which became more popular and in demand. Supply chain issues with importing advanced lighting fixtures, coupled with labor shortages in electrical contracting, contributed to this significant rise.

18.1 Access Control

- **Change:** \$34,000.00
- **Explanation:** The cost of access control systems increased due to the need for more advanced security technology, such as keyless entry systems, video surveillance, and electronic gates. The rising cost of technology, combined with more sophisticated installation requirements, drove up this line item.

20.5 Pavement Marking

- **Change:** \$60,000.00
- **Explanation:** Pavement marking costs rose as a result of increased material prices for durable marking paints and road surface preparation. The need for more detailed and long-lasting marking solutions to meet local code requirements also contributed to the overall cost.

20.7 Irrigation Systems

- **Change:** \$184,598.39
- **Explanation:** Irrigation system costs increased due to higher prices for piping, sprinkler heads, and control systems. There was also a growing demand for more water-efficient systems, which required advanced technology and additional labor to install.

20.8 Landscaping

- **Change:** \$52,666.40
- **Explanation:** Landscaping costs rose due to increased prices for plants, trees, and materials such as soil, mulch, and stones. Additionally, labor costs for landscaping crews increased as the demand for skilled landscapers outpaced supply. The desire for more complex and visually appealing landscaping designs also contributed to this cost rise.

22.1 Overhead

- **Change:** \$233,936.94
- **Explanation:** Overhead costs increased primarily due to the extended duration of the project, which resulted in higher administrative expenses, project coordination, and office support. Rising insurance premiums, permits, and general operational expenses also contributed to this line item.

22.2 GC Fee

- **Change:** \$621,810.82
- **Explanation:** The general contractor (GC) fee increased as a result of the added complexity of managing the project amid rising material costs, labor shortages, and regulatory changes. The GC's role expanded to include more oversight, coordination, and troubleshooting, leading to higher compensation for the contractor.