

INDIANA DEPARTMENT OF TRANSPORTATION

INDIANAPOLIS, INDIANA 46204-2249

INTER-DEPARTMENT COMMUNICATION

June 20, 2000

MEMORANDUM 00-13

To: District Directors
District Materials and Tests Engineers
Area Engineers
Toll Road Operations Engineer
District Construction Engineers
Project Engineers\Supervisors

From: Timothy D. Bertram, Chief
Contracts and Construction Division

Subject: Change Order and Time Extension Approval Authority

Effective immediately, the approval authority for change in plans is being revised. The new policy increases the authority levels as follows:

Approval Authority	Existing Contract Item		New Contract Item	
	Maximum Line Item Amount	Maximum Change Order Amount	Maximum Line Item Amount	Maximum Change Order Amount
Project Engineer/Supervisor	\$20,000.00	\$100,000.00	\$10,000.00	\$50,000.00
Area Engineer	\$100,000.00	\$250,000.00	\$100,000.00	\$250,000.00
District Construction Engineer Toll Road Operations Engineer	\$400,000.00	\$750,000.00	\$400,000.00	\$750,000.00
District Director	\$500,000.00	\$1,000,000.00	\$500,000.00	\$1,000,000.00
Division Chief Contracts and Construction Division	\$1,000,000.00	\$2,000,000.00	\$1,000,000.00	\$2,000,000.00
Deputy Commissioner and Chief Highway Engineer	over \$1,000,000.00	over \$2,000,000.00	over \$1,000,000.00	over \$2,000,000.00

The amounts listed above represent the maximum increase or decrease to a single item, or total amount of the document.

Any change order which causes the cumulative total change (increase or decrease) in the original contract monetary amount to reach 20% and above, must be approved by the Deputy Commissioner and Chief Highway Engineer.

The Scheduling Manager shall review all change orders over \$500,000.00 to ensure that all necessary funds are available prior to approval. The approval authority as outlined above shall provide the Scheduling Manager with the necessary information to conduct this review. No approval shall be made prior to the review being completed.

June 20, 2000

Memorandum 00-13

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Concurrence through the C&C Division is required prior to the approval of items of the following nature, even though they may fall within other monetary limits of authority:

1. Revisions to geometric design of the mainline roadway, ramps, frontage roads or crossroads.
2. Revisions to the structural section above the subbase including the changing of Binder grade.
3. Additions, deletions, changes, or relocations to bridges and /or structures which would affect the functional scope and intent of the approved design.
4. Deviations from the planned access control (includes drives or pedestrian access construction features).
5. Altering the intent or scope of the contract or character of the work including extending the project limits.
6. Altering specifications, special provisions or other contract requirements including previously approved provisions for maintaining traffic.
7. Revisions resulting in significant new environmental impacts, significant worsening of anticipated environmental effect, or significantly reduces the degree of impact mitigation provided in the contract.

Change in plans with extra work items must contain data justifying the cost being approved.

Also being revised at this time is the time extension approval authority levels. The following are the revised approval levels:

Approval Authority	Number of Days
Project Engineer/Supervisor	10
Area Engineer	25
District Construction Engineer	50
District Director	75
Division Chief, Contracts & Construction Division	100
Chief Engineer	> 100

These days are calendar days after the completion date regardless of the type of days that the contract has been set for. There are no monetary constraints associated with liquidated damages tied to these approval authorities. These authority levels would not apply to incentives/disincentives or other times established within the special provisions of a contract. Incentives/disincentives and other time extensions shall follow the monetary levels outlined for change order approvals above.

Attached are revised pages of the General Instruction to Field Employees, section 2-19 Extension of Contract Time, pages 2-29 to 2-32 and FORM IC 626, page 40-43 through 40-48C,. Please remove the existing sections and replace with those enclosed.

TDB:RLY:rlly

Attachments

cc: FHWA
Materials and Test Division
ICI
APAI
CEI

At the lower portion of the CR-2, indicate whether or not District personnel have discussed deficiencies with the Contractor. Provide the date of the final inspection and the date of the discussion. If a discussion was not held, provide the reason. The form should be signed and dated by the PE/S, AE, and the DCE.

FORM IC 626--(SF-35929)--CHANGE ORDER. This form is used for any change in the planned contract quantities, the addition of new items of work, or changes to the contract documents. These changes can result from, but are not limited to, extra work, force account work, changes in plans due to revisions, changes in quantities due to plan errors, documentation of minor and cumulative changes in quantities, specification changes, and documentation of credits for failed materials. The purpose of the Change Order is to show documented approval at the proper authority level of specific changes to a contract for which the Contractor can be paid. Approval must be received before work can proceed.

The submission of this form should be kept up-to-date and current with the progress of the field construction, not only because it is necessary to obtain prior approval, but also due to the fact that the preparation is simplified when a minimum number of items are involved. No substantial change in plans should be made without proper authorization. Even though it may be impossible to determine the accurate quantities involved in an alteration, approximate quantities should be used from the best information available. Approved IC 626's are an aid in the preparation of the FCR and become a part thereof. The Change Order must be prepared in black ink, typewritten, or generated through CRA. Additional instructions for generation through CRA are included within the CRA Manual.

When the Contractor would be delayed by the time required to process a Form IC 626, a verbal approval may be requested from the proper authority. Good job management will minimize the need for a verbal approval. There are exceptions such as foundation items that cannot be anticipated until the foundation is exposed or the test pile driven. Advance oral approval must be followed up promptly with the formal IC 626 document. The granting of an emergency approval is a privilege not to be abused. The C&C Division shall be notified within five (5) business days of all change orders and time extension approvals. This is needed to help ensure accountability and to keep records current.

In the event the SS applicable to the contract does not covered an item of extra work, it will be necessary to include the specification with the Change Order.

The SS provides for the performance of extra work by "Force Account". This method of payment for performing work is used only when the Contractor and the State cannot mutually agree on the negotiated price. This could happen when the added work is unusual in nature and neither party have past records concerning costs or time.

For Contractor owned machinery or special equipment, the rates shall not be more than those listed in the current Rental Rate Blue Book, as published by Dataquest, Inc. Regardless of the time used, this rate shall be the hourly rate obtained by dividing the monthly Blue Book rate by 176, with appropriate adjustments made for region and age, plus actual fuel and lubricant costs. For non-contractor owned machinery or special equipment, the rates shall be as shown on the

actual invoice. Small tools shall be defined as any tool costing less than \$500.00 each, or an aggregate total of \$1,000.00. This matter is addressed in the SS.

The equipment description shall be the same as the listing in the above rental book.

Force account work must be approved prior to doing the work.

Form IC 626 should always be used to establish an adjusted unit price when the price determination is specifically spelled out in the specification. Examples are 3 times common for excavation of unsuitable material or converting Compacted Aggregate Type "P" to Type "O" and to establish a unit price for another project on multiple project contracts. When the specifications indicate adjustments such as with excavation of unsuitable material (3 times common), **do not** adjust the quantity. This is falsifying legal documents.

Occasionally the circumstance arises in which the FHWA will not participate in the cost of certain items or portions of items. The Change Order form is used to adjust the quantities and establish the non-participating item.

To establish the non-participating item, whether a portion of an item or the entire item, a supplemental description "Non-Participating" shall be placed in the supplemental description field for the item description and the Non-Participating indicator box should be checked. The item description will remain the same and the quantity will be adjusted to reflect the non-participating portion of the quantity shown on the new "Non-Part" item.

The form must be completely filled out properly to prevent delay in processing and approval of changes. Starting at the top of the form the page number is for use when this form is incorporated into the FCR. Next, the contract number and Federal project number must be complete. The Change Order Number shall be sequential and include COs not approved. They will be assigned by the PE/S.

The upper portion of the form provides space to describe and explain the recommended change. If more space is required, additional work sheets may be used. The recommended change, description, and explanation must be clear in order that there will be no misunderstanding or misinterpretation by those individuals subsequently reviewing the form. The specific reason for the change must be given. Do not use as an explanation, "Mr. Smith's letter dated May 26, 1989" alone, but the subject of the letter may be a sufficient explanation. The explanation for the change should give the location of the change, a complete description and the reason the change is recommended. If a sketch is required to clarify the items involved one should accompany the document. Additional explanation sheets should be numbered (CO #XX, Page Y of Z) to identify them with the basic Form IC 626, and 215 mm x 280 mm (8 1/2" x 11") sheets should be used for this purpose. Multiple pages used in calculating the increased quantity need not be attached to the Change Order. These may be retained in the project file and a note should so state.

On multiple project (DES) contracts, a breakdown of the items by individual DES must be made. In the space provided for project numbers at the top of the form, all project and DES numbers included in the document should be shown. If the document involves only one project and DES

of a multiple project contract, the single project and DES number at the top of the form will suffice. If the document involves more than one project and DES in the contract, the items must be broke down by DES.

The breakdowns must be the same as the breakdowns used for preparation of Form IC 642 and the progress estimates. Compliance with these paragraphs is essential in order to provide required documentation for increasing project funds.

The middle portion of the form provides space for the various items of the contract under consideration. If the Change Order is to adjust the quantity of an existing item in the contract, the Contract Line Number (**CLN**), the Project Line Number (**PLN**), **PCN (DES)**, **Spec Ref** number, **Item Description** and **Unit Price** as shown in the itemized proposal should be used and the letter "C" shall be placed in the **C,E,F** field.

If the Change Order is being used to establish an extra work items as defined by the SS, the letters "E" must be placed in the **C,E,F** field with the next **CLN**, the next **PLN**, **PCN (DES)**, **Spec Ref** number, the **Item Description**, **Quantity**, and **Unit Price** for the item. The description and **Spec Ref** number will come from the Mater Items List and a supplemental description may be used if needed to clarify the item. When it is necessary to add an existing contract item to a project where it does not already exist, the extra work process is utilized except the **CLN** is that which is already used for the contract.

If the Change Order is being used for items of extra work by Force Account the letters "F" must be placed in the **C,E,F** field along with the same information for the extra work item. The **Spec Ref** number and **Item Description** used for force account work shall be "109-04299, **FORCE ACCOUNT WORK**". A supplemental description shall always be used with a force account item to identify the force account to the specific element of work being performed. Items of Extra Work, Force Account, and Change of Quantity may be shown on the same form when the changes are related.

When multiple pages are necessary for a long list of items, the pages shall be provided by cutting the signature area off the bottom of Form IC 626 discarding the lower portion. The upper portion would then become the first and middle pages of the document and the full size form with the signatures would be the last page of the document.

Under the **Percent (%) Change** columns, the first column pertains to the change of the item on the specific IC 626 at hand versus the authorized contract quantity. Authorized contract quantity shall include the original contract amount plus any additional approved to date change order quantity. The second column should reflect the cumulative total change to date of the item, including the change being recommended, versus the original plan quantity. An item of extra work will be 100% change for both columns.

The form, when completed by the PE/S, shall be submitted to the Contractor for approval. The Contractor shall return the form to the PE/S. To the right of the initial block space is provided for the signatures and date of the officials of the Local Public Agency, when they are involved in the project. At least two (2) signatures of the authorized representatives for the LPA are required.

Each person who reviews the Change Order shall initial in the appropriate location of the initial block up to the proper level of authority for approval.

The level of authority for approval of a Change Order (Form IC 626) shall be as follows:

Approval Authority	Existing Contract Item		New Contract Item	
	Max Line Item Amount	Max CO Amount	Max Line Item Amount	Max CO Amount
PE/S	\$20,000.00	\$100,000.00	\$10,000.00	\$50,000.00
AE	\$100,000.00	\$250,000.00	\$100,000.00	\$250,000.00
DCE TR Operations Engineer	\$400,000.00	\$750,000.00	\$400,000.00	\$750,000.00
DD	\$500,000.00	\$1,000,000.00	\$500,000.00	\$1,000,000.00
Division Chief C&C Division	\$1,000,000.00	\$2,000,000.00	\$1,000,000.00	\$2,000,000.00
Deputy Commissioner and Chief Highway Engineer	over \$1,000,000.00	over \$2,000,000.00	over \$1,000,000.00	over \$2,000,000.00

The amounts listed above represent the maximum increase or decrease to a single item, or total amount of the document.

Any change order which causes the cumulative total change (increase or decrease) in the original contract monetary amount to reach 20% and above must be approved by the Deputy Commissioner and Chief Highway Engineer.

The Scheduling Manager shall review all change orders over \$500,000.00 to ensure that all necessary funds are available prior to approval. The approval authority as outlined above shall provide the Scheduling Manager with the necessary information to conduct this review. No approval shall be made prior to the review being completed

The following general rules apply to all Change Orders (IC 626):

1. All Change Orders shall be numbered sequentially; 1, 2, 3, etc. Each document and accompanying work sheets, etc. should note C.O. # in the upper right hand corner along with Page of total pages.
2. The District shall maintain a log of all Change Orders.

3. The Districts shall maintain an accumulated running total for each contract, monitoring the total to ensure that each Change Order is approved by the proper authority.
4. The Districts must stay within the authorized limits, within established Department policies and procedures and within State law when approving Change Orders. Concurrence through the C&C Division is required prior to the approval of items of the following nature, even though they may fall within other monetary limits of authority:
 - A. Revisions to geometric design of the mainline roadway, ramps, frontage roads or crossroads.
 - B. Revisions to the structural section above the subbase including the changing of Binder grade.
 - C. Additions, deletions, changes, or relocations to bridges and /or structures which would affect the functional scope and intent of the approved design.
 - D. Deviations from the planned access control (includes drives or pedestrian access construction features).
 - E. Altering the intent or scope of the contract or character of the work including extending the project limits.
 - F. Altering specifications, special provisions or other contract requirements including previously approved provisions for maintaining traffic.
 - G. Revisions resulting in significant new environmental impacts, significant worsening of anticipated environmental effect, or significantly reduces the degree of impact mitigation provided in the contract.

Change Orders approved within the Districts shall be distributed by the Districts as follows:

A letter of explanation from the District is required for all changes. The letter should set out the conditions and necessity for the work. The increased limits of authority can result in a major budget impact. Each approval authority must assure that the justification for change is well documented and not merely a personal preference.

Change Orders on Federal Aid projects with federal oversight are subject to review and approval by the FHWA. Processing of these documents shall be as follows:

1. Change Orders approved by the PE/S do not require prior approval by the FHWA; however, a copy of the approved document shall be sent to the FHWA for their review and files. Based upon its review, the FHWA has the prerogative to withdraw part or all of the Federal participation of the items involved. Therefore the District must exercise care that the Change Order is within established guidelines and would not result in withdrawal of Federal participation.

2. Change Orders other than those approved by the PE/S must have prior approval by the FHWA. This normally requires that the document be transmitted to the FHWA for approval after the document has been approved by the Department, but before distribution of the document. When circumstances dictate, verbal approval may be sought from the FHWA by contacting the appropriate FHWA AE. Formal FHWA approval is obtained by transmitting the original and one (1) copy of the document to the FHWA. A copy is retained by the Department until FHWA approval is obtained. After approval, the FHWA will return the original, stamped as being approved for Federal participation (unless exceptions are noted). The District shall make copies of the approved original and distribute as shown below.

Approved Change Orders shall be distributed by the Districts as follows:

Original is returned to the PE/S and incorporated into the FCR.

One (1) copy retained in District files.

One (1) copy to the C&C Division

One (1) copy to the Contractor.

When the Corps of Engineers is participating in a contract, their authorized representative must sign the original document with the same procedure as FHWA prior to the distribution procedure above. An additional copy must be made in order to provide the Corps of Engineers with an approved copy.

Occasionally, it will be necessary to combine documents together. Approval of the entire package shall be given from the highest level of authority required within the package. For example, a time extension is within the DO level of authority but the related change order requires approval by Division Chief, C&C Division, the entire package of documents must be submitted to the highest level of authority for approval. In this case, the CO will approve both the time extension and change order and make the distribution of the package.

Prior to the District: approving, transmitting to CO for approval, or requesting verbal approval of any Change Order consisting of a major change on Maintenance contracts ("M" and "RS"), the District Operations Engineer shall be contacted to solicit concurrence in the change.

Each District is to exercise their authority to approve changes within their specified limits. If a question arises concerning the approval authority, contact the C&C Division for direction. Change Orders will be reviewed by the C&C Division. The C&C Division will assist the Districts to help ensure that uniform administration of all contracts is being followed state-wide. It is important and essential that the contract provisions, Department policy, and State law be followed. The C&C Division will work closely with the Districts in order to help with compliance.

Each District is to use the transmittal form shown on page 40-48B when Change Orders are submitted to the CO for approval. Also, see page 40-48C for sample form. The form must be filled out as follows:

Contract No. A-XXXXX , Project No., Structure No.

These are the numbers that come from the contract.

District, Job Type

District - your district

Job Type - resurface, bridge, road reconstruction, etc.

Herewith for your signature, if satisfactory, is a Change Order, Form IC 626, at an increased/decreased cost of \$XXXXXXXXXX.XX.

This is typed verbatim filling in the dollar amount, and leaving out the inappropriate, increased or decreased.

Summary Area

This is the area where it is explained why the change is needed. It should be written as if the reader has no knowledge of the situation, and needs to understand why the change is required. Some history might be needed. The CO Field Engineer must have knowledge of the change before being submitted.

Price Justification

In this area justification for the prices are entered as a whole (i.e. same as on contract XXXXX, in line with current bidding).

The district recommends approval.

This is typed verbatim.

TOTAL CONTRACT	XXXXXXXXXXXX.XX	
INCREASED/DECREASED COST	XXXXXXXXXXXX.XX	
PREVIOUS INCREASE	XXXXXXXXXXXX.XX	
TOTAL INCREASE/DECREASE	XXXXXXXXXXXX.XX	+ XX%

Fill in the dollar amounts and the percent of change (+ or -)

Field Engineer Recommends Approval

This is the area for the field engineer to concur with the change.

Field Engineer Comments

This area is for comments from the Central Office Field Engineer

August 30, 1995

IC 626

TO: Timothy D. Bertram, Chief
Contracts and Construction Division

ATTN: Tom Hamilton
Contract Support Supervisor

Contract No. M-19964X
Project No. STP-000C(347)
DES No. 12345678

Structure No. 111-22-5516

District, Seymour, Job Type, Cleaning and Painting Bridge Structures in the Seymour District.

Herewith for your signature, if satisfactory, is a change order, IC 626, at a decreased cost of \$121,700.00

Structure No. 111-22-5516 was to be included in the current maintenance contract to clean and paint bridges in the Seymour District. However, Structure No. 111-22-5516 is currently being rehabed by contract B-20180. Instead of extending the completion date of the paint contract, it was decided to delete this structure from the contract and put it is next year's bridge maintenance painting program.

Price Justification: The costs included are the bid items from the contract.

The district recommends approval.

TOTAL CONTRACT	\$ 454,000.00	
DECREASED COST	\$(121,700.00)	
PREVIOUS CHANGE	0.00	
TOTAL CHANGE	\$(121,700.00)	-26.81%

Field Engineer Recommends Approval

Field Engineer Comments:

August 30, 1995

IC 626

TO: , Chief
Contracts and Construction Division

ATTN: Contract Support Supervisor

Contract No. XXXXXX
Project No. XXXXXX
DES No. XXXXXXXX

Structure No. XXXXXX

District, , Job Type

Herewith for your signature, if satisfactory, is a change order, IC 626, at an *increased/decreased* cost of \$XXXXXXXXXX.XX.

(Summary Area)

Price Justification:

The district recommends approval

TOTAL CONTRACT	XXXXXXXXXXXXXX	
INCREASED/DECREASED COST	XXXXXXXXXXXXXX	
PREVIOUS CHANGE	XXXXXXXXXXXXXX	
TOTAL CHANGE	XXXXXXXXXXXXXX	+XX.XX%

Field Engineer Recommends Approval

Field Engineer Comments:

19. EXTENSION OF CONTRACT TIME. Section 108 of the SS permits a request for an extension of contract time for reasons beyond the contractor's control. This section sets out the guidelines, procedures and levels of authority for approval of time extensions.

Whenever a situation arises in which the question of the possibility of an extension exists, every effort should be made to consider and resolve the question at the time of the occurrence instead of several months later. It is preferable to resolve these questions at an early stage when exact conditions and facts are current and easily established instead of trying to be recalled months later. This also lets the Contractor know exactly what the contract time is.

All extensions shall be sufficiently documented to clearly substantiate the extension and to indicate uniformity of decisions. Extensions on Federal-Aid projects involving Federal oversight, are subject to review and approval by the FHWA. The Contractor's request and sufficient documentation to justify approval of the proposed extension should accompany the extension letter.

Below the signature block on the extension letter, a space should be provided for signature by the FHWA indicating their concurrence. For example:

John J. Jones
District Director

We concur in revising the contract completion as indicated above

S. S. Smith
Division Administrator
Federal Highway Administration

The original and a copy of the extension letter shall be sent to the FHWA for concurrence. The original will then be returned by the FHWA to the originator.

The following table indicates the level of authority for approval of time extensions. The contract days are for all days after the original completion time regardless of the type of time set in the contract. The authority levels represent the total number of day per contract. An extension may be approved based upon the approving authority's best judgment of the justification, and compliance with the Specifications, SP and Department policy.

TIME EXTENSIONS	
Title	Contract Days
PE/S	10
AE	25
DCE or	50
Toll Road Operations Engineer	
DD	75
Div. Chief,	100
Contracts and Constr.	
Chief Engineer	over 100

All incentives and disincentives, intermediate completion dates, and other time and liquidated damage requirements outlined in the SP shall be processed utilizing the monetary values outline for approval of change orders represented by the value of damages waived by the extension. Contract Day time extensions have no monetary value.

A log of approved extensions shall be maintained by the DO in order to determine if any authority level has reached or exceeded the maximum permitted. In order to facilitate the logging of approved extensions, the last paragraph of the DO's extension letter shall contain an itemized statement of the number of days extended, whether they are for contract completion or intermediate completion, and the amount of potential damages being waived. For example, the last paragraph may state something like:

In view of the above reasons, the contract time is hereby extended as follows:

Contract Completion	8 cal days	@	\$150.00	=	\$1,200.00
TOTAL					\$1,200.00

Additional information may be included as necessary (dates, etc.) However, the above information shall be clearly defined in order that a clerk may readily transfer the information to the log.

The days listed are the maximum cumulative number of days on each contract that may be approved as an extension.

The following are examples of the above policy:

(a) For a contracts with SS liquidated damages rates, the AE may grant extensions up to a cumulative total of 25 contract days after the original completion time. However, for a contract with SP liquidated damages rates of \$25,000.00/day, the maximum total number of days permitted to be authorized by the AE would be 4 based on the CO rules.

(b) Normally, liquidated damage rates for intermediate closure/opening or traffic restriction dates are outlined in the SP and are substantially higher than SS rates for contract completion. For this reason the CO monetary rules shall apply to these type time extensions base on the monetary value of the waived time.

(c) On contracts with mixed work day time and calendar date/day time, extensions may be granted in both categories provided the maximum days are not exceeded. For example, on a contract with a work day contract completion time and a calendar date opening time, the AE may extend the work days up to 10 and the calendar date up to 15 days provided the SP liquidated damages waiver for the opening time does not exceed the CO approval level for the AE. This same principle applies to contracts with a calendar date contract completion time and a calendar day intermediate time.

It is impossible to cover all situations in these instructions; therefore, the DO should request guidance from the C&C Division in questionable circumstances.

If the reviewing authority agrees that the contractor's request for extension of time should be granted, in total or partially, in an amount greater than can be granted at that particular level, the

entire request shall be forwarded to the next higher level with an appropriate recommendation. The lower authority shall not approve part of the extension and then request the higher level to approve the balance. The entire request must be considered as a whole. However, if the lower authority believes that only part of the contractor's request is justified, and that amount is within the level of authority of the reviewer, that level of authority may respond to the contractor approving the smaller amount and denying the balance. If the contractor accepts the decision, no further action is required. If the contractor wishes to appeal the decision, the entire request shall be forwarded to the next higher authority with appropriate recommendations.

The following are examples of reasons for which time extensions may be approved. Also, for holidays, strikes, and punch list time, the DO may suspend the time charges and are not subject to the previous table provided that there is proper documentation available.

(a) **Holidays.** The Department may order the contractor to suspend work, either wholly or in part, for a period of time for certain holidays as set out in Section 108 of the SS.

(b) **Strikes.** A suspension of time may be granted when the contractor is unable to work on the controlling operation for at least 50% of the day with the normal working force because of a general labor strike. The strike must be an area wide, union sponsored, strike against all or a group of contractors selected by the union. Workers in a non-striking craft refusing to cross picket lines shall be considered as strike related for which a suspension of time may be granted. Wildcat strikes against a single contractor are the responsibility of the contractor involved, and no suspension or extension of time shall be granted under this paragraph.

(c) **Utilities.** An extension of time may be granted when the contractor is unable to work on the controlling operation for at least 50% of the day with the normal working force because of operations or inaction of a utility company or its representatives associated with the removal or relocation of utilities on the project.

(d) **Change Orders.** If the contractor requests an extension of contract time as a condition of agreement on Form IC 626 Change Order, the extension and Change Order shall be granted at the same level. The highest authorized level to approve the change order or time extension shall be used to approve both. For example, if the change order normally could be approved at the DO but the extension requested is outside the DD's authority, then the change order shall be submitted to the Chief, C&C Division for approval. Further, if the Chief Engineer must approve the change order then the Chief Engineer must also approve the time extension. An extension of time may be granted if it is demonstrated that the additional work affected the controlling operation and that the normal extension for monetary increase that may result is not commensurate with the actual time required to do the additional work. If the exact extension cannot be determined at the time the change order is processed, a statement shall be made on the change order that an extension will be considered after the work involved is completed. Upon determination of an appropriate extension, if required, the level indicated by the schedule above may grant the extension.

(e) **Punch List Time.** All construction work on the contract shall be substantially complete prior to preliminary final inspection. Only minor corrective work and cleanup may remain to be done. Normally, time would not be charged against the contract while

awaiting inspection and thereafter. On work day contracts, days are simply not charged. However, on calendar date contracts, the time continues until the date of last work or final inspection, whichever is later.

On calendar completion date contracts, the DO may waive time after the construction work is substantially complete by completing the Final Inspection Time Waiver on the back of Form IC 632, Completion Date & Liquidated Damages Data. However, certain days may be excluded from the waiver. For example, the time allowed for completion of punch list work shall be five work days after the contractor is notified of the work to be done. If the contractor takes more than five days, the excess days shall be excluded from the waived time. Likewise, the time allowed for removal of construction signs shall be five calendar days after the contractor is notified that the signs may be removed. If the contractor takes more than five calendar days, the excess days shall be excluded from the time waived. Exclusion of days for other reasons may also be made. All exclusions shall be explained in the REMARKS section of the Waiver.