

109-C-218 PAYMENT FOR EXTRA WORK

(Adopted 03-20-08)

The Standard Specifications are revised as follows:

SECTION 109, BEGIN LINE 501, DELETE AND INSERT AS FOLLOWS:

109.05 Payment for Extra Work and ~~Force Account Work~~

Extra work performed in accordance with 104.03 will be paid for by one of the following methods:

(a) Agreed Price

Extra work ~~performed in accordance with 104.03~~ will be paid for at the agreed upon unit prices or lump sum prices as ~~approved on the change order~~ *documented on approved change order. The Contractor shall, when directed, furnish a cost breakdown to substantiate a unit price or lump sum price.*

(b) Force Account

~~However, the~~ *The Department may require the Contractor to ~~do such~~ perform extra work on a force account basis when a price cannot be agreed upon in accordance with 109.05(a). The Contractor shall, when directed, submit a written proposal for the extra work prior to the start of the work. When directed, the proposal shall include the planned labor, materials, equipment, and schedule for the work. Extra work performed by force account will be documented on an approved change order and will ~~to~~ be compensated in the following manner:*

~~(a)~~ 1. Labor Costs

For all labor and foremen in direct charge of the specific operations, the Contractor will receive the rate of wage, or scale, agreed upon in writing before beginning work for each hour that said labor and foremen are actually engaged in such work.

The Contractor will receive the actual costs paid to, or in behalf of, workmen by reasons of subsistence and travel allowances, worker's compensation insurance premiums, unemployment insurance contributions, social security taxes, health and welfare benefits, pension fund benefits, or other benefits when such amounts are required by collective bargaining agreement or other employment contract generally applicable to the classes of labor employed on the work. The Contractor shall furnish satisfactory evidence of the rate or rates paid for insurance premiums and tax.

An amount equal to 20% of the sum of the above items will also be paid the Contractor.

~~(b)~~ 2. Bond and Insurance

For bond premium and property damage and liability insurance premiums, the Contractor will receive the actual cost, to which cost 10% will be added. The Contractor shall furnish satisfactory evidence of the rate or rates paid for such bond premium and insurance premiums.

~~(c)~~ 3. Materials

For materials accepted and used, the Contractor will receive the actual cost of such materials delivered on the work, including transportation charges paid by the Contractor, exclusive of machinery rentals as hereinafter set forth, to which cost 12% will be added.

(d) 4. Equipment

For Contractor owned machinery or special equipment other than small tools as defined herein, the rates shall be not more than those listed in the current Rental Rate Blue Book as published by ~~Dataquest, Inc.~~ *EquipmentWatch®*. *The rate used shall be the FHWA hourly rate which is the ownership cost rate plus the operating cost rate.* Regardless of the time used, ~~this~~ *the ownership cost rate shall be the hourly rate obtained by dividing the monthly Blue Book rate by 176 with appropriate adjustments made for region and age. Actual fuel, lubricant and transportation costs may be added to the rental cost FHWA rate.* Small tools will be defined as tools costing less than \$500 each, or an aggregate total of \$1,000 or less.

For machinery or special equipment not owned by the Contractor, the rate shall be as shown on invoices. Actual fuel, lubricant and transportation costs may be added to the rental cost. *The Engineer may designate the use of the fuel percentage of the Rental Rate Blue Book operating cost rate in lieu of actual fuel and lubricant costs. No payment will be made for repairs to rented equipment.*

For equipment that is operational, on-site, and necessary for force account work, but is idle due to conditions beyond the control of the Contractor, a standby rate will apply. The standby rate will also apply during the period of transportation and on-site assembly and disassembly of the equipment for transportation purposes. The standby rate will be the published ownership cost rate reduced by 50 percent. Standby time will not be paid for in excess of 8 hours per day minus the number of hours paid for at the FHWA rate per day; or 40 hours per week minus the number of hours paid for at the FHWA rate per week. If rented equipment necessary for force account work is idle, the Department will pay the Contractor for the actual invoice rates for the duration of the idle period.

The Contractor shall provide a list of all information needed to verify the Blue Book rental rate for each piece of equipment. The information shall include the equipment type, manufacturer name, model number, year, any attachments used, and any other information necessary to determine the proper rate.

The Contractor will receive payment for the total costs agreed upon to which sum 12% will be added.

(e) 5. Miscellaneous

No additional allowance will be made for general superintendence or other costs for which no specific allowance is herein provided.

(f) 6. Subcontracting

For administration costs in connection with approved subcontract work, the Contractor shall receive an amount equal to 10% of the first \$3,000 and 7% thereafter, or the total cost of such work computed as set forth above.

(g) 7. Compensation

The Contractor and the Engineer shall compare records of the cost of work done as ordered on a force account basis at the end of each day. These records shall be made in duplicate and signed by both. Each shall retain one copy.

(h) 8. Statements

No payment will be made for work performed on a force account basis until the Contractor has furnished triplicate itemized statements of the cost of such force account work detailed as follows:

1. a. name, classification, date, daily hours, total hours, rate, and extension for each laborer and foreman;
2. b. designation, dates, daily hours, total hours, rental rate, and extension for each unit of machinery and equipment;
3. c. quantities of materials, prices, and extensions;
4. d. transportation of materials;
5. e. cost of property damage, liability and worker's compensation insurance premiums, unemployment insurance contributions, and social security tax.

Statements shall be accompanied and supported by receipted invoices for all materials used and for transportation charges. However, if materials used on the force account work are not specifically purchased for such work but are taken from the Contractor's stock, then in lieu of the invoices the Contractor shall furnish an affidavit certifying that such materials were taken from its stock, that the quantity claimed was actually used, and that the price and transportation claimed represent the actual cost to the Contractor.

If the Contractor fails or refuses to prosecute extra *work* or force account work as directed, the Department may withhold payment of all current estimates until the Contractor's failure or refusal is eliminated.

(i) Cost Breakdown

~~In case the work is performed as extra work, the Contractor shall, when directed, furnish a cost breakdown to substantiate a lump sum price or unit price.~~
