



## **CHAPTER 12E**

# **ADJUSTMENTS TO LUMP SUM AND OTHER ITEMS**

### **12E-1 Adjustments to Lump Sum Items**

The Contractor must furnish Materials and perform the required Work in a Make adjustments to lump sum items only when the Resident Engineer (RE) has ordered in writing, changes to the Work included in those lump sum items. These changes are addressed in 00195.20(a) and in Chapter 15 - Change Orders/Force Account/Work by Public Forces. If no changes are ordered in writing by the RE, the Work shall be completed and accepted without measurement as addressed in 00190.10(h).

The RE can make adjustments or changes to payment for lump sum items without a Contract Change Order (CCO) only when:

- The Contract specifies the method for paying for the change in the lump sum Pay Item, or
- The Special Provisions include an estimated quantity for the lump sum Pay Item that allows a theoretical unit price to be calculated.

If the adjustment or change does not fit one of these two categories, the RE must issue a CCO to implement the change.

Examples of adjustments that can be made without a CCO are:

- Additional or less reinforcement in a box culvert or other structure
- Additional or less concrete in a box culvert or other structure
- Changes in metal sign supports or their footings
- Seeding, mulching, and fertilizing, when the estimated quantity is listed in the Special Provisions

When the RE orders an adjustment to a lump sum Pay Item, the RE must submit supporting documentation that clearly shows the method and computations that were used to determine the adjusted quantity and the theoretical unit price.

The following example illustrates the documentation that is appropriate for this type of an adjustment. This simple example does not address if mobilization was included in the unit price for this Work. If the entity performing that Work did not receive separate payment for mobilization, the estimated value of mobilization should be deducted from the bid price before calculating the adjustment.



## Pay Note (Project Work Record)

### Project Information

US26: Warm Springs Safety Corridor Sec.	CON04374	011	14	01	C15253
Project Name	EA	Subjob	Estimate No.	Pay Note No.	Contract No.
Sign Support Footings	6113	William Martin	Haydon Gillies		
Item Description	Bid/Pay Item No.	Resident Engineer	Prepared by		

### Method of Quality Assurance

☐ No Quality Documentation Required

Supporting Documents Provided as Part of Pay Note (Click on letters for definition)

- |  |                                       |
|--|---------------------------------------|
| <input type="checkbox"/> E                     | <input checked="" type="checkbox"/> O |
| <input checked="" type="checkbox"/> L (Number) | <input type="checkbox"/> BG           |
| <input type="checkbox"/> I (Number)            | <input type="checkbox"/> R            |
| <input type="checkbox"/> W                     | <input type="checkbox"/> P/R          |
| <input type="checkbox"/> P                     | <input checked="" type="checkbox"/> Q |
| <input type="checkbox"/> M                     | <input checked="" type="checkbox"/> T |
| <input type="checkbox"/> Small Quantity        |                                       |

### F - Field Inspection Report (FIR)

Now*	Previously Submitted	Estimate No.	Pay Note No.	Link
<input checked="" type="checkbox"/>	<input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>			

\*Enter on New Field Inspection Information Page below.

### QPL

- ☐ No QPL
- ☒ QPL - Approved
- ☐ QPL - Qualified

QPL No. 0776

QPL No. 2935

QPL No.

QPL No.

### Quantity Data

Previous Quantity	0.00	CUYD	<input type="checkbox"/> Remeasurement	15-Mar-22
Quantity This Note	0.94 (+ or -)		<input checked="" type="checkbox"/> Measured in Place Method	15-Mar-22
Total Quantity to Date	0.94		<input type="checkbox"/> Partial Payment	Bid Item/Pay Item Completion Date
			<input type="checkbox"/> Material on Hand	See Material on Hand Page below

### Calculations and/or Remarks

Contractor used an additional 0.94 CUYD of sign support footings on the job.

See attached letter for calculations and locations.

Pay and additional 0.94 CUYD of Sign Support Footings per 00920.90.

☐ Photos Attached

☐ Illustration Attached

### Reviewed by

Quality Checked by \_\_\_\_\_ Date \_\_\_\_\_

Quantity Checked by \_\_\_\_\_ Date \_\_\_\_\_



Pay Note (New Field Inspection Information)  
(Project Work Record)

US26: Warm Springs Safety Corridor Sec.  
Project Name

6113  
Bid/Pay Item No.

14  
Estimate No.

01  
Pay Note No.

C15253  
Contract No.

Materials Delivered for this Project

Seal Tight Concrete Curing Compound

Type of Material

4-Nov-21

Date Delivered

W.R. Meadows

Source of Material (Manufacturer or Fabricator)

4S

Delivered to (Name of Contractor/Subcontractor)

10.00

GAL

10.00

Quantity Delivered

Unit

Quantity Received

Quantity Rejected

Rejection explanation/reason

10.00

Total Received to Date

Estimated Total Required

Where Inspected

Rebar

Type of Material

4-Nov-21

Date Delivered

Nucor Steel Seattle

Source of Material (Manufacturer or Fabricator)

4S

Delivered to (Name of Contractor/Subcontractor)

100.00

LS

100.00

Quantity Delivered

Unit

Quantity Received

Quantity Rejected

Rejection explanation/reason

100.00

Total Received to Date

Estimated Total Required

Where Inspected

Type of Material

Date Delivered

Source of Material (Manufacturer or Fabricator)

Delivered to (Name of Contractor/Subcontractor)

Quantity Delivered

Unit

Quantity Received

Quantity Rejected

Rejection explanation/reason

Total Received to Date

Estimated Total Required

Where Inspected

Type of Material

Date Delivered

Source of Material (Manufacturer or Fabricator)

Delivered to (Name of Contractor/Subcontractor)

Quantity Delivered

Unit

Quantity Received

Quantity Rejected

Rejection explanation/reason

Total Received to Date

Estimated Total Required

Where Inspected

## 4S Signs LLC

30255 Hwy 34 Albany, Oregon 97321  
541-928-5858 FAX 541-928-9068



CCB #144388

May 20, 2021

High Desert Aggregate & Paving

Attn: Brian Youngquist

RE: BI1130 , BI1140 Changes  
Brian,

Re: ODOT #15253  
US26 Warm Springs  
Safety Corridor

The States working drawings make the following plan changes:

BI # 1130- Sign Support Footings, BI #1140 – Triangular Base Breakaways –

Sign Post 28 was a TS 3-1/2 x 3-1/2 and is now a TS 4 x 4

Sign Post 27 was a TS 3-1/2 x 3-1/2 and is now a TS 5 x 5

Sign Post 29 was a TS 4 x 4 and is now a TS 5 x 5

Sign Post 30 @ STA 1533+15L was a TS 4 x 4 and is now a TS 5 x 5

Sign Post 30 @ STA 1546+93L was a TS 4 x 4 and is now a TS 5 x 5

Per Sections 00190.10(h) and 00920.80 we request additional monies for these plan changes in the amount of \$2,329.21 (0.94 cu yd @ \$2,477.88 per cu yd) for BI 1130. Price was figured using bid price divided by the cu yds listed in the Special Provisions Section 920.80 (\$28,000.00 divided by 11.30 cu yd = \$2,477.88 per cu yd.).

We also request additional monies for these plan changes in the amount of \$4,884.00 (444 lbs @ \$11.00 per pound) for BI 1140. Price was figured using bid price divided by the weight listed in the Special Provisions Section 930.80 (\$21,250.00 divided by 1932 lbs = \$11.00 per lb.).

Sincerely,

*Buckley W. Johnson*  
Buckley W. Johnson  
Project Manager

Enter these adjustments in the 6000 series of the Contract Payment System (CPS), including a reference to the Pay Item. [Refer to Chapter 25 - Payments to Contractors/Retainage.]

For questions about possible quantity adjustments, contact the Region Assurance Specialist (RAS) or the Contract Administration Unit (CAU).

## **12E-2 Other Adjustment Items**

The items covered in this section occasionally occur on Agency Projects. Some Projects have a few, while many Projects have none. Enter these adjustments in the 6000 series, with a reference to the Pay Item, in CPS to adjust the payment to the Contractor.

Following is an explanation of each item, including the required documentation that needs to be maintained and submitted to adequately support the adjustment. The RE must prepare documentation to justify the adjustment and submit the supporting documentation with the final Project documentation at the completion of the Project.

### **A. Escalation / De-escalation (Fuel, Asphalt, Steel)**

Asphalt, fuel, and steel escalation/de-escalation will be addressed in the Special Provisions, subsections 00195.10 through 00195.12 for each Project, if the Project meets the minimum qualifying quantities for eligible Pay Items. Asphalt and fuel escalation/de-escalation is automatically applied to each qualifying Project, and remains in effect for the life of the Contract. Participation in the steel escalation/de-escalation program by the Contractor is voluntary.

The intent of the escalation/de-escalation Specifications is to limit the risk to both the Contractor and the Agency, if the costs of these Materials changes dramatically during the life of the Contract.

#### **1. 00195.10 – Asphalt Cement Material Price Escalation/De-escalation (AE)**

During development of the Project Specifications, the specification writers will determine if the Project will use at least 150 Tons of liquid asphalt. If it does, the Project qualifies for asphalt escalation/de-escalation (AE). The specification writer will determine which Pay Items qualify for AE, and these Pay Items will be listed in subsection 00195.10(d) of the Special Provisions.

The RE will adjust the payment to the Contractor each month to reflect changes in the cost of asphalt, if the current monthly price differs more than 5% from the base price established the month immediately preceding the Bid Opening date. The monthly asphalt cement material price (MACMP) is established by the Agency and is posted on the Specifications Unit webpage.

The AE process the RE office will need to follow and the forms required to make the monthly AE adjustments can be found on the Construction Section website at <https://www.oregon.gov/odot/Construction/Pages/Forms.aspx>.

AE payments will be posted in CPS as an adjustment to the Contract, using the 6700A – 6700Z series.

It is important to understand that the Contractor does not have the option of participating in the AE program. If the Project has at least 150 tons of liquid asphalt, and there are eligible Pay Items in the Contract, AE will apply.

If at any time during the life of the Contract the RE identifies any Pay Items that are either not listed in Subsection 00195.10 of the Special Provisions, and either the Contractor or the RE identifies Pay Items that should or should not have been listed, the RE must contact the specification writer to identify the reason the Pay Item was, or was not, included.

#### **Making Changes to Subsection 00195.10 After Contract Award:**

Changes may be made to Subsection 00195.10 after the Contract has been awarded by CCO. However, if the Project contains any federal funds, these changes will be eligible for federal participation only under the following circumstances:

- a. If the Contract contains the 00744 – Minor ACP Pavement Specification, and also includes the 00195.10 provisions with an estimated quantity for any of the eligible Pay Items, but is missing the list of eligible Pay Items, the Pay Items may be added to the Contract by CCO and will be eligible for federal participation.
- b. If the estimated quantity is less than the minimum qualifier of 150 tons of liquid asphalt, the eligible Pay Item(s) may still be added provided that the 00195.10 provision and estimated quantity as noted above is in the original Contract.
- c. If an eligible Pay Item listed in 00195.10 does not match the Pay Item listed in the Schedule of Items, the Pay Item may be corrected by CCO and be eligible for federal participation.

**Example:** 00195.10 lists PG 64-22 Asphalt in ACP, but the Schedule of Items lists the Pay Item as PG 70-22 Asphalt in ACP. The CCO would correct the Pay Item in 00195.10 to PG 70-22 Asphalt in ACP.

- d. If an eligible Pay Item (PG 64-22), which was eligible for AE under 00195.10 is replaced via CCO by a similar Pay Item (PG



70-22), the new Pay Item will also be eligible for AE and federal participation. The condition for eligibility is that the replacement Pay Item must be the same type of Work as the Pay Item being replaced.

- e. If new Work items are added to the Contract by CCO, and the Work items were not included in the original Contract, but the 00195.10 provisions are included in the Contract, the Work items being added by CCO will be eligible for AE if the Work items meet the minimum qualifiers and the Work will not be done in a short period of time. The new Work would be eligible for federal participation if all conditions are met, and could use either the existing base asphalt cement price (base price) or a new base price effective on the date of execution of the CCO, depending upon Project-specific circumstances.

Remember that AE is intended to adjust for the fluctuations in the asphalt cement price between the time the Work is Bid and when the Work is completed. When providing quotes for CCO Work, the Contractor essentially bids the Work at the time of the CCO. Assuming that the CCO Work will not be performed in a short time period, any AE that would apply to the CCO Work would need to start at the time the CCO is executed and stop when the CCO Work is completed.

The following changes to 00195.10 are not eligible for federal participation:

- a. If the original Contract does not include the 00195.10 AE provisions, and these provisions are later added to the Contract by CCO, none of the AE payments are eligible for federal participation. Alternate funding must be used for these payments.
- b. If an item of Work is typically eligible for AE, but is not listed in the Contract under 00195.10, the item of Work can be added to the Contract by CCO, but will not be eligible for federal participation. Alternate funding must be used to pay for any AE payments related to this item of Work.

**Example:** If the Pay Item “Recycling Agent” was included in the Schedule of Items, and the total estimated asphalt cement quantity for the Project met the minimum qualifier of 150 tons, but the Pay Item “Recycling Agent” did not get listed under 00195.10, it can be added to the Contract by CCO, but must be coded as non-participating and paid for with state or local funds.

If you have any questions regarding whether or not a change made to 00195.10 will be eligible for federal participation, or if you encounter a situation that does not exactly fit one of the scenarios



listed above, contact the Region Assurance Specialist (RAS), or the Contract Administration Unit for guidance before making the change.

## **2. 00195.11 – Fuel Cost Price Escalation/De-escalation (FE)**

During Project development, the specification writer will determine if the fuel escalation/de-escalation (FE) program is applicable to the Project. This is done by determining if the Pay Items listed on the Fuel Escalation Worksheet meet the minimum qualifiers. If the individual Pay Items meet the individual minimum qualifiers, and if the total of all Pay Items meets the Project minimum qualifier of 25,100 gallons, then the FE provisions apply and the applicable Pay Items will be listed in Subsection 00195.11 of the Special Provisions.

### **Making Changes to Subsection 00195.11 After Contract Award:**

Changes may be made to Subsection 00195.11 after the Contract has been awarded by CCO. However, these changes will be eligible for federal participation only under the following circumstances:

- a. If a fuel factor for any of the eligible Pay Items listed in 00195.11 is incorrect, the factor may be corrected by CCO only if the Contract contains the 00195.11 provisions. This correction would be eligible for federal participation. The current fuel factors are shown on the Fuel Escalation Worksheet.
- b. If an eligible Pay Item listed in 00195.11 does not match the Pay Item listed in the Schedule of Items, the Pay Item may be corrected by CCO and any FE payments made on this Pay Item would be eligible for federal participation.

**Example:** 00195.11 lists Level 3 ACP, but the schedule of items lists the Pay Item as Level 4 ACP. The CCO would correct the Pay Item in 00195.10 to Level 4 ACP.

- c. If an eligible Pay Item (Level 4 ACP), which was eligible for FE under 00195.11, is replaced via CCO by a similar Pay Item (Level 3 ACP), the new Pay Item will also be eligible for FE and federal participation. The condition for eligibility is that the replacement Pay Item must be the same type of Work as the Pay Item being replaced.
- d. If new Work items are added to the Contract by CCO, and the Work items were not included in the original Contract, but the 00195.11 provisions are included in the Contract, the Work items being added by CCO will be eligible for FE if the Work items meet the minimum qualifiers and the Work will

not be done in a short period of time. The new Work would be eligible for federal participation if all conditions are met, and could use either the existing base fuel price (base price) or a new base price effective on the date of execution of the CCO, depending upon Project-specific circumstances.

Remember that FE is intended to adjust for the fluctuations in the fuel price between the time the Work is bid and when the Work is completed. When providing quotes for CCO Work, the Contractor essentially bids the Work at the time of the CCO. Assuming that the CCO Work will not be performed in a short time period, any FE that would apply to the CCO Work would need to start at the time the CCO is executed and stop when the CCO Work is completed.

The following changes to 00195.11 are **not eligible** for federal participation:

- a. If the original Contract does not include the 00195.11 FE provisions, and these provisions are later added to the Contract by CCO, none of the FE payments are eligible for federal participation. Alternate funding must be used for these payments.
- b. If an item of Work is typically eligible for FE, but is not listed in the Contract under 00195.11, the item of Work can be added to the Contract by CCO, but will not be eligible for federal participation. Alternate funding must be used to pay for any FE payments related to this item of Work.

**Example:** If the Pay Item “General Excavation” was included in the Schedule of Items, and was also included on the Fuel Escalation Worksheet as an eligible Pay Item (meeting the minimum qualifiers), but did not get listed under 00195.11, it can be added to the Contract by CCO, but must be coded as non-participating and paid for with state or local funds.

If you have any questions regarding whether or not a change made to 00195.11 will be eligible for federal participation, or if you encounter a situation that does not exactly fit one of the scenarios listed above, contact the Region Assurance Specialist (RAS), or the Contract Administration Unit for guidance before making the change.

Some common errors that can occur during Project development but may not be identified until after the Contract is awarded include:

- A Pay Item is listed in 00195.11 but is not listed in the Schedule of Items. This typically occurs when an item of Work is included in the Project early in development, and is added to the list of Pay Items, but the Pay Item is deleted before the Project goes to Bid.
- There are three separate Pay Items for ACP (Level 2, Level 3 and Level 4), but only one Pay Item quantity is used to calculate the minimum qualifier on the Fuel Escalation Worksheet. If the single ACP Pay Item quantity is not sufficient to meet the minimum qualifier, all ACP Bid Items may incorrectly be excluded. The specification writer must total all three ACP Bid Items together to calculate if the ACP meets the minimum qualifier shown on the Fuel Escalation Worksheet.
- Incorrect fuel factors or the incorrect type of structure (pre-cast vs. cast-in-place) fuel factor being specified.

If at any time during the life of the Contract the RE identifies any Pay Items that are either not listed in Subsection 00195.11 of the Special Provisions, and either the Contractor or the RE feels the Pay Items should have been listed, or Pay Items are listed that the RE feels should not have been included, the RE must contact the specification writer to identify the reason the Pay Item was, or was not, included. The RE should request a copy of the Fuel Escalation Worksheet from the specification writer that was completed during Project development to assist in determining whether or not a Pay Item should, or should not, be included in 00195.11.

The RE will adjust the payment to the Contractor each month to reflect the changes in the cost of fuel, if the current monthly price differs more than 25% from the base fuel price (base price) published on the Agency website for the month immediately preceding the Bid Opening date:

<https://www.oregon.gov/ODOT/Business/Pages/Asphalt-Fuel-Price.aspx>

The FE process that the RE office will need to follow and the forms required to be used to make the monthly FE adjustments can be found on the Construction Section website at:

<https://www.oregon.gov/odot/Construction/Pages/Forms.aspx>

FE payments will be posted in CPS as an adjustment to the Contract, using the 6600A – 6600Z series.

### **3. 00195.12 – Steel Materials Price Escalation/De-escalation (SE)**

During Project development, the specification writer will determine if the Project has any eligible steel escalation/de-escalation (SE) Pay Items. If there are eligible Pay Items, they will be listed in Subsection 00195.12 of the Special Provisions. If there are no eligible Pay Items, Subsection 00195.12(d) will state: "No Pay Items under this Contract qualify for the steel escalation/de-escalation program for this Project". The specification writer will use the steel escalation/de-escalation worksheet (Table of Steel Escalation) to identify which Pay Items will be listed in the Special Provisions.

The SE program is the only escalation/de-escalation program under which the Contractor may decline participation. The Contractor can choose to participate in the SE program by printing out the Steel Materials Pay Item list in 00195.12(d) of the Special Provisions, identifying which Pay Items they select for participation, signing, and submitting the list to the RE before or within seven Calendar Days after the Pre-construction Conference. SE can only be made on the Pay Items selected by the Contractor. The RE will need to keep a copy of the participation notice with the applicable Project records (6000 series adjustments), and submit a copy to the CAU.

If the Contractor elects to not participate in the SE program, this will need to be documented in one of the following ways:

- Contractor can notify the RE in writing of their choice to not participate in the SE program, or
- The RE can notify the Contractor in writing that the required participation information was not received within the time frame allowed, and that the SE program provisions in 00195.12 will not apply to the Contract.

The RAS will require the applicable documentation confirming participation (participation form).

The RE will adjust the payment to the Contractor each month to reflect the changes in the cost of steel Materials, if the current monthly price for steel Materials differs more than 10% from the base steel materials value (BV) published on the Agency website for the month of the Bid Opening:

<https://www.oregon.gov/odot/business/pages/steel.aspx>

The BV and the monthly steel materials value (MV) are posted on the Agency website after the numbers are considered final. Preliminary numbers may be referenced for six months or more before they are determined to be final. This means that SE adjustments

for Work completed in January are not made until the final numbers are posted in June (at the earliest), and will be posted on the July pay estimate. The Agency has no control over when the final numbers will be posted, so SE adjustments may not be reflected on payments to the Contractor for up to two months after the final values are posted. The Contractor is not eligible for interest on these delayed payments. [See 00195.12(b).]

The SE process that the RE office will need to follow and the forms required to be used to make the monthly SE adjustments can be found on the Construction Section website at:

<https://www.oregon.gov/odot/Construction/Pages/Forms.aspx>

SE payments will be posted in CPS as an adjustment to the Contract, using the 6800A – 6800Z series.

#### **4. How Escalation/De-escalation Applies to Change Order Work**

If the original Contract contains any of the escalation/de-escalation provisions (00195.10 – Asphalt, 00195.11 – Fuel, or 00195.12 – Steel), then any CCOs that affect any of the eligible Pay Items must also address the escalation/de-escalation in one of the following ways:

**Scenario #1 – Increasing Original Bid Item Work:** If the CCO is being written to increase the Pay Item quantity but does not modify the unit price of the Work, the original Contract base price and normal escalation/de-escalation would apply, regardless of when the Work identified in the CCO is actually performed.

Refer to Chapter 15 - Contract Change Orders/Force Account/Work by Public Forces, for guidance on completing the Change Order forms when addressing escalation/de-escalation.

**Scenario #2 – Adding New Work [To be completed in a short time period]:** If the CCO is written to add new Work with a modified unit price (i.e., additional or new paving at a different unit price than the original Pay Item), it is assumed that the unit price is a “current price” which includes any real escalation incurred between the time the Contract was bid and the time the CCO is executed. In this case, the CCO should state that NO ESCALATION applies to the Work covered by the CCO. This assumes the work identified in the CCO will be completed in a short time period.

**Scenario #3 – Adding New Work [Work will not be completed in a short time period]:** If the Work covered by the CCO will not be completed in a short period of time, then the CCO may need to include escalation/de-escalation with a new base price, which would be set at the month in which the CCO is executed.

Escalation/de-escalation is intended to adjust for the fluctuations in price between the time the Work is bid and when the Work is completed. When providing price quotes for CCO Work, the Contractor essentially bids the Work at the time of the CCO. Any escalation/de-escalation that applies to the CCO Work needs to start at the time the CCO is executed and stop when the CCO Work is completed.

**Scenario #4 – Adjusting Lump Sum Pay Items:** Adjustments to lump sum Pay Items can be made using either a 6000 series price adjustment or with a CCO. Refer to Section 12E-1 for guidance on determining which method to use. If a CCO is used to adjust a lump sum Pay Item (increase), then the original Contract Base Price and normal escalation would apply.

However, if the CCO is reducing a lump sum Pay Item at the direction of the RE, then the appropriate adjustment must also be made to any escalation/de-escalation applied to the lump sum Pay Item.

**Scenario #5 – Adjusting Unit Priced Pay Items:** In some cases, an adjustment to a unit priced Pay Item, which is eligible for escalation/de-escalation, will need to be made. In this case, the original Pay Item will need to be deleted, and a new Pay Item with the new unit price will need to be established. The original escalation/de-escalation provisions apply to the Work using the adjusted unit price.

**NOTE:** Under this scenario, if any escalation/de-escalation payments have been applied to the original Pay Item Work using the original unit price, these payments need to be deleted and reapplied using the adjusted unit price established in the CCO.

If all work on a structure has been identified in the Special Provisions as being eligible for fuel escalation, any CCO adding or modifying Work on that structure needs to include language addressing escalation. Clearly state in the CCO if the original language of the Contract still applies to the Work in the CCO, or from what date a new base price/value for the fuel escalation is being established, or if there will be no escalation for this CCO Work.

### **C. Fabrication Inspection Expense**

As required by Subsection 00165.91, if the Agency is required to perform shop and/or plant inspection outside of the state, the cost of the inspection will be charged to the Contractor. The Agency will bear the cost of inspections performed within the state, and those portions of adjacent states within 50 airline miles of the Oregon border.

This inspection expense reimbursement applies to all fabricated items or manufactured Materials that are inspected by Agency personnel, including but not limited to:

- Structural steel fabrication
- Pre-stressed concrete members
- Signs
- Precast concrete

The RE will calculate the charges to the Contractor for fabrication inspection, and post them to the progress estimate under the 6000 series as an adjustment to the Contract. The RE must notify the Contractor that such adjustment will be made and the reasons for the adjustment. Provide sufficient documentation to clearly justify the adjustment and submit the documentation with the final quantity documentation.

#### **D. Agency-Provided Weigh Technician**

As provided for in Subsection 00190.20(g), the Agency will provide a weigh technician at the Contractor's expense if the Contractor provides vehicle weigh scales without a weigh technician. The hourly cost for the Agency-provided weigh technician will be listed in Subsection 00190.20(g) of the Special Provisions.

The RE will calculate the Agency's time performing the weigh technician duties, and post the charges to the progress estimate under the 6000 series as an adjustment to the Contract. The RE must notify the Contractor that such adjustment will be made and the reasons for the adjustment. Provide sufficient documentation to clearly justify the adjustment and submit the documentation with the final quantity documentation.

#### **E. Right of Agency to Perform Work at Contractor's Expense**

Subsection 00220.60(d) covers the Agency's right to perform Work at the Contractor's expense if the Contractor fails to provide adequate accommodations for traffic and to maintain the traveled ways and connections as provided for in the Contract.

The RE will calculate all Agency costs to perform the Work, including labor, Equipment and Materials, and post the charges to the progress estimate under the 6000 series as an adjustment to the Contract. The RE must notify the Contractor that such adjustment will be made and the reasons for the adjustment. Provide sufficient documentation to clearly justify the adjustment and submit the documentation with the final quantity documentation.



## **F. Additional Materials Testing Performed at Contractor's Request**

Subsection 00165.04 states that when the Contract requires the Agency to perform testing, the testing will be at the Agency's expense. However, if the Contractor requests the Agency perform testing in excess of the limits stated in 00165.04, then the additional tests are at the Contractor's expense.

The RE will calculate all Agency costs to perform the extra testing, and post the charges to the progress estimate under the 6000 series as an adjustment to the Contract. The RE must notify the Contractor that such adjustment will be made and the reasons for the adjustment. Provide sufficient documentation to clearly justify the adjustment and submit the documentation with the final quantity documentation.

## **G. Liquidated Damages**

As specified in Subsection 00180.85(b), the Contractor agrees to pay the Agency, not as a penalty but as liquidated damages, the amount specified in the Special Provisions for each Calendar Day the Contractor performs Work on the Contract in excess of the Contract Time or adjusted Contract Time.

If the Contract Time is expressed in Calendar Days (e.g., all Work completed within 90 Calendar Days), the RE will be required to issue Weekly Statement of Contract Time Charges, form 734-3483 each week beginning on the date specified in the Contract. If the Contract Time is expressed as a specified completion date (e.g., all Work completed by May 1, 2022), the RE is required to begin issuing Weekly Statement of Contract Time Charges beginning on the date the Contract Time or adjusted Contract Time expires. [Refer to Chapter 13 – Contract Time.]

The Weekly Statement of Contract Time Charges Form will act as the pay document for assessing the liquidated damages charged against the Contract. The liquidated damages will be posted to the progress estimate under the 6000 series as an adjustment to the Contract. The unit shown should be either "Day", or the unit specified in the Contract ("Hour", "Minute", etc.). Keep in mind that liquidated damages are always posted as a negative unit so that the adjustment is assessed against the Contract, and not shown as a payment to the Contractor. Contact the Construction Contracts Engineer for assistance calculating the final liquidated damages amount.



## WEEKLY STATEMENT OF CONTRACT TIME CHARGES

PROJECT NAME (SECTION) US30: NW KITTRIDGE AVE TO NW BRIDGE AVE SEC.				CONTRACT NO. 15350	
HIGHWAY LOWER COLUMBIA RIVER				F.A. PROJECT NO. S092 (060)	
CONTRACTOR NAME AND ADDRESS KERR CONTRACTORS OREGON INC PO BOX 1060 WOODBURN, OR 97071				WEEK ENDING 26-Nov-2022	
				DATE MAILED TO CONTRACTOR 28-Nov-2022	
(180.50(h); 180.50(h-1); (180.50(h-2); etc.)			180.50(h)(1)	180.50(h)	180.50(h)
BEGINNING DATE OF TIME CHARGE			4/20/2022		
DAY OF WEEK			REASONS FOR NOT CHARGING TIME		
DAY OF MONTH	PREDOMINATE WEATHER				
SUN	20 Mostly Sunny	1.0			N/A
MON	21 Cloudy	1.0			N/A
TUE	22 Scattered Showers	1.0			N/A
WED	23 Foggy	1.0			N/A
THU	24 Foggy	1.0			N/A
FRI	25 Foggy	1.0			N/A
SAT	26 Cloudy	1.0			N/A
DAYS CHARGED THIS WEEK		7.0	NOTICE TO CONTRACTOR		
DAYS CHARGED ON PREVIOUS STATEMENT		214.0	If you are in disagreement with the number of "Days Charged This Week", you have 7 days after delivery of this statement to file written protest with the Project Manager, setting forth in detail the facts upon which the protest is based. See subsection 00180.50 in the contract specifications for additional instructions.		
REVISIONS OR ADJUSTMENTS (+ or -) (explain below)					
DAYS CHARGED TO END OF CURRENT WEEK		221.0			
LIMITING NUMBER OF CALENDAR DAYS		186.0			
DAYS REMAINING		-35.0			
FIXED DATE (Specified Completion Date)					
EXCESS DAYS USED					
COMMENTS: (INCLUDE CHANGES TO SPECIFIED COMPLETION)					
Liquidated Damages are being assessed in accordance with 00185.85(b)(1) - Calc: $((21.2\% \times C)/T) = ((9.212 \times \$5,171,925.00)/262) = \$4,184.92/\text{day}; \$4,184.92 \times 7 \text{ days} = \$29,294.44$					
NOTE: Assessment of LD's has been temporarily delayed pending issue resolution but Agency reserves the right to withhold all LD's from future progress estimates.					
RESIDENT ENGINEER SIGNATURE <i>Steve Miller</i>				DATE 11/28/2022	

DISTRIBUTION: CONTRACTOR'S HEADQUARTERS, CONTRACTOR'S PROJECT OFFICE, REGIONAL AND CONSTRUCTION

734-3483 (11-24-2020)

## H. Incentive/Disincentive (Early Completion)

Some Contracts may have provisions included covering incentive/disincentive, or early completion. These provisions will be included as Section 00198. The RE will need to follow the provision requirements for determining incentive/disincentive payments. Contact the RAS or the CAU for assistance in calculating or posting adjustments for incentive/disincentive.

## **I. Lane Closures**

Some Contracts may include provisions for lane closure, lane rental or total closures. These provisions will be included in Section 00220 of the Special Provisions. The RE will need to follow the provision requirements for determining charges against the Contract for the various types of lane closures. Contact the RAS or the CAU for assistance in calculating or posting adjustments for lane closures. Also see the [Closure and Delay Liquidated Damages Calculator](#) tool.

## **J. Railroad Protective Services (Flagging)**

The Agency generally must pay the cost of Railroad protective services or devices.

Provisions for paying for Railroad flagging will be covered by Subsection 00170.01(e) of the Contract and will specify the maximum time (hours) or dollar amount the Agency will pay for Railroad protective services. This section will also identify the per hour dollar amount the Contractor will be charged for any flagging hours required in excess of the hours listed in 00170.01(e). An example of 00170.01(e) language is as follows:

If the RE determines the Contractor is responsible for flagger services costs in excess of the hours shown in the Contract, a 6000 series negative price adjustment will need to be processed.

*When railway flagger services are required, the Agency will pay the flagger services' costs up to a total of 20 hours. If this value is exceeded and additional flagging services are needed, the Contractor shall pay the Agency an amount of \$100 per hour for each hour in excess of the total value identified above.*

## **12E-3 Review Procedure**

The RE must have one person prepare or calculate the adjustment to a lump sum Pay Item, or other adjustment items, and have a second, different person review the adjustment calculations.

The RAS will review and sign off on all adjustment calculations/payments as part of the periodic Project documentation review process.

Refer to Chapter 37 - Submittal of Final Project Documentation for guidance in submitting adjustment documentation at the completion of the Project.