

Florida Department of Transportation

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DENVER J STUTLER JR SECRETARY

December 8, 2006

This Memo Has Expired

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DCE MEMORANDUM NO: 26-06 (FHWA Approved: 12-7-06)

TO:

DISTRICT CONSTRUCTION ENGINEERS.

FROM:

Brian Blanchard, Director, Office of Construction

COPIES:

David Sadler, Randy Borgersen, Derek Fusco

SUBJECT:

PAY ITEM CREDITS TO THE DEPARTMENT

Districts are directed to discontinue the use of Work Orders drawn against Contingency Items or Contingency Supplemental Agreements to document credits due to the Department for bid item work deleted from a contract.

Credits to the Department for underruns of work added by Work Order can continue to be done via Work Order.

The purpose for discontinuation of this practice is that money credited back to the Department for bid item work that is deleted that is documented via Contingency Work Orders gets credited back to the contingency amount for that contract. This practice distorts the costs reported in contingency funding.

Henceforth, all credits for deleted bid item work returned to the Department shall be documented on Supplemental Agreements.

If you have any questions, please feel free to contact Randy Borgersen, at 850-414-4168.

BB/bw