

COMMENTS RECEIVED FROM INDUSTRY REVIEW

Wolf, Ernie

Subject: New Proposed Specification on 4-3.2, Scope of Work

Wayne:

I have read through the proposed change in the extra work pricing scheme and I do not believe it is in the best interest of the Contractor. The first is that there is no longer an allowance for bond, but we have to present proof that we paid for the additional bond. As you well know, this does not happen until the end of the project. A better solution would be to establish the bond rate on each job and apply it to each request for additional work. On the other side for the time, as it is proposed you can either take the markup scheme or the per diem, which does not allow for any markup for profit or bond. Finally, they will not allow for the cost of any additional insurance other than what is in the Specifications. I wonder if they are going to limit our liability to what the insurance will cover?

At the present time, the way the Spec has been interpreted is the markup scheme for the additional cost covers the actual time to perform the additional work. If there is a delay beyond this actual work time, then we are entitled to recover the per diem for that delay. This seems fair as it is now being applied, and I don't understand why we would want to try and fix it if it is not broken. Maybe we need some better English on the subject, but not a complete rewrite on the Spec.

Miseroy, JC

Subject: RE: Proposed Spec Change - 0040320 Scope of Work

Cumulative Calendar Days is defined as the cumulative total number of calendar days granted for time extension due to delay of a controlling work item caused solely by the Department is, or the cumulative total number of calendar days for which entitlement to a time extension due to delay of a controlling work item caused solely by the Department is otherwise ultimately determined in favor of the Contractor to be.

This is pretty confusing the way it is written.

For any change to the work, we should be able to recover the cost of Bonds and GL Insurance, whether it falls under d(1) or d(2). Also, when a Subcontractor is furnishing a Bond, there will be the cost of our Bond increase plus their Bond increase.

The changes they have made are ok as far as they go, but d(2) first paragraph is still confusing.

JC