PART 1 – GENERAL

1.01 SUMMARY OF MODIFICATION PROPOSAL PROCEDURES:

A. Changes to the Work may be required due to field conditions, requests made by the Engineer, clarifications to the bid documents, or other needs that result in a change in the cost of the work and/or change in the number of contract days per Section 00 72 00, 1.02.D. The changes to the Work will be tracked individually as Modification Proposals (MP). Modification Proposals may either be prepared as a Field Directive, or as a request for pricing prior to proceeding with the work.

B. A change order will be issued for one or more MP's grouped into a single change order. Payment for changed work cannot be paid until the change order is finalized and signed by the Director of the Planning and Development Division (PDD).

C. The Modification Proposal shall clearly identify all labor, material, equipment, incidentals, including subcontractor's and supplier's invoices or quotes and Contractor's timecards. A reference from the latest approved schedule shall be attached justifying any time extension request. Mark ups for all overhead, profit, bond cost, B & O taxes, and insurance shall be added in accordance with the Engineer-approved "Mark-Up Agreement Form" (see Section 1.01.E below). The Modification Proposal form included at the end of this section will be used for directing the work to be done in one of the two manners described below.

D. The Contractor and Subcontractors (where required), shall provide a breakdown of labor costs including basic wage rates, fringe benefits, FICA, FUTA and SUCA add-ons, per Section 00 72 00, 1.09.F. Where premium time is involved, the Contractor shall provide a breakdown of costs in the same detail.

E. Supplemental to Section 00 72 00 1.09.C.2 and 1.09.D.1.c, mark-ups for overhead and profit shall be in accordance with the mark-up rates negotiated by the Engineer and the Contractor prior to commencement of Construction. The "Mark-Up Agreement Form" included at the end of this section will be used for documenting this agreement. Such mark-up rates shall factor in general company overhead, taxes, bonding, project overhead, reasonable profit for the project as a whole, and may not in any event exceed the Force Account mark-ups established in Section 00 72 00 1.09.F. If requested by the Engineer, such mark-up rates shall be justified by the Contractor as detailed in subparagraphs 1, 2, and 3 below.

1. General Company Overhead: Costs of the Contractor's home or corporate office necessary to run the business and to support the projects in the field. The Engineer may require that the general company overhead be supported with documentation of company financial information for the past two years.

2. Project Overhead: Indirect costs that cannot be identified with a specific construction activity but support the project as a whole. The Engineer may require documentation of actual costs accrued.

3. Profit: Net proceeds after expenses. The Engineer may require a detailed justification with supporting documentation of the company's financial information for the past two years.

1.02 FIELD DIRECTIVE MODIFICATION PROPOSALS:

A. Changed conditions and/or unanticipated circumstances may require immediate revisions to Work which are essential and from which a delay would result in a time and/or cost penalty to the project. When such a condition exists, the Engineer's Construction Manager shall issue a written Field Directive to the Contractor on a form to be provided by the Engineer. The Field Directive will be identified with an MP number.

B. The Engineer's Construction Manager will provide direction for the Contractor identifying the necessary changes to be made.

C. When Field Directive Work is being done as a lump sum agreement, the Contractor shall provide pricing per 1.01C as needed to substantiate the lump sum amount within 15 days of the completion of the work, utilizing the "Modification Proposal Worksheet" (sample at the end of this section) provided by the Engineer..

D. When Field Directive Work is being done under Force Account pricing, a daily record of labor, materials, equipment use, subcontracted work, material disposal costs, and any other costs shall be kept. The Contractor shall use the "Daily Force Account Worksheet" (sample at the end of this section) provided by the Engineer for this purpose, and shall submit the completed form to the Engineer no later than the next Working Day.

1.03 LUMP SUM MODIFICATION PROPOSALS:

A. The Engineer may request priced proposals which either add or delete work prior to proceeding with any changes.

B. When requested, the Contractor shall provide pricing per 1.01.C of this section, utilizing the "Modification Proposal Worksheet" (sample at the end of this section) provided by the Engineer, for review and approval by the Engineer, prior to proceeding with the work.

1.04 CHANGE ORDERS:

A. A change order to the work will be issued including one or more Modification Proposals. The cumulative amount of adds and deducts along with the change in the number of days approved in each individual Modification Proposal shall be added to or deducted from the Payment and Performance. The change order shall incorporate the MP forms, and all required back up into a lump sum contract adjustment. Any change order that causes the modifications to the contract to exceed 25% of the

original contract amount will require the Consent of Surety per instructions to bidders, Section 00 21 13, 1.02.D (Payment and Performance Bond).

B. The payment for work performed under the change order cannot be made until the change order has been signed by the Director of Planning and Development Division.

C. If an individual change order exceeds 10% of the original contract amount and is over $50,000, a special review may be required by the Engineer. In such cases, the Engineer will notify the Contractor as to the special circumstance of the change.

PART 2 - PRODUCTS: *Not Used*

PART 3 - EXECUTION: *Not Used*

END OF SECTION

NOTE: A sample Mark-up Agreement Form, Modification Proposal form, Modification Proposal Worksheet, and Force Account Worksheet follows this section. These forms are available as part of a self-calculating Microsoft Excel workbook, which will be provided by the Engineer.

Activity (WC) No. _____

MARK-UP AGREEMENT FORM

Project Name	**PW Contract No.**
Contractor Name	**Contractor Phone** -

The undersigned individuals hereby agree that the mark-up rates established below shall be used as applicable for purposes of determining the mark-up amounts for any and all change orders negotiated in accordance with Section 00 72 00 paragraph 1.02.D of the Contract. These mark-ups are not applicable to Force Account work, which is separately defined under Section 00 72 00 paragraph 1.09.F.

MARK-UP DESCRIPTION	Proposed Mark-Up (%)
General Contractor's Labor	
Materials, Equipment (owned or rented without operator), and Small Tools	
Invoiced Services ≤ $10,000	
Tipping & Material Disposal Fees, Equipment Rentals (with Operator), Subcontractors (any amount), and Invoiced Services >$10,000	
Cumulative Invoiced Cost ≤ $25,000	
$25,000 < Cumulative Invoiced Cost ≤ $100,000	
Cumulative Invoiced Cost > $100,000	

APPROVAL SIGNATURES

Contractor's Representative	**Name (Printed)**	**Signature**	**Date**
Project Manager's Recommendation	**Name (Printed)**	**Signature**	**Date**
Construction Manager's Approval	**Name (Printed)** Chris Jewell	**Signature**	**Date**
Engineer's Approval	**Name (Printed)** Rebecca Rufin	**Signature**	**Date**

cc:

Project Manager, Seattle Parks and Recreation
Chris Jewell, Construction Manager, Seattle Parks and Recreation
Project File

SAMPLE

Activity (WC) No. _____

PW Contract No. _____

MODIFICATION PROPOSAL

Contractor	Modification Proposal No	Date
Project Name	Designer Firm or Name (as applicable)	

Attached is the Contractor's Proposal for performing the following work:

Brief Summary of Work (~15 words or less)	
Description of Work	
Attachments	
Cost or (Deduct) $ -	Time Extension (Working Days)

The payments and/or additional time specified and agreed to in this modification proposal include every claim by the Contractor for any extra payment, extended overhead, or extension of time with respect to the work described herein, including delays to the overall project. The work covered by this modification proposal shall be performed under the same terms and conditions as specified in the original Contract.

Submitted by:

Authorized Contractor Signature	Date

APPROVAL OF PROPOSAL

The following Owner's representatives have reviewed this proposal and agree that the proposed cost and time extension are fair and reasonable.

	Name (Printed)	Signature	Date
Design Consultant			
Project Manager			
Construction Manager	Chris Jewell		

FIELD DIRECTIVE

The Contractor shall proceed with the work immediately if signed below as a field directive.

	Name (Printed)	Signature	Date
Construction Manager	Chris Jewell		
NOT TO EXCEED PRICE:			

SAMPLE

CITY OF SEATTLE, DEPARTMENT OF PARKS & RECREATION

MODIFICATION PROPOSAL WORKSHEET

Project Name	Activity (WC) No.	PW Contract No.
Contractor	Modification Proposal No.	Date

Description of Modification

General Contractor's Labor Description	Hours	Hrly Rate	Subtotal	Cost
			$ -	
			$ -	
			$ -	
			$ -	
			$ -	
			$ -	
Subtotal, General Contractor's Labor				$ -

Material, Equipment & Small Tools	Quantity	Unit	Unit Cost	Subtotal	Cost
				$ -	
				$ -	
				$ -	
				$ -	
				$ -	
				$ -	
Subtotal, Materials, Equipment, & Small Tools					$ -

INVOICED SERVICES OF $10,000 OR LESS

Service Provider	Service Description	Amount	Cost
Subtotal, Invoiced Services of $10,000 or Less			$ -

SUBCONTRACTORS, TIPPING & MATERIAL DISPOSAL FEES, & EQUIPMENT RENTALS W/OPERATOR OF ANY AMOUNT, & INVOICED SERVICES >$10,000

Subcontractor/Company Name	Work or Service Description	Amount	Approved Mark-Up
Subtotal, Subcontractors, Tipping Fees, Etc.			$ -
TOTAL DIRECT COSTS			$ -

MARK-UP DESCRIPTION	APPROVED MARK-UP	Mark-Up Cost
General Contractor's Labor		$ -
Materials, Equipment, & Small Tools		$ -
Invoiced Services ≤ $10,000		$ -
Subcontractors, Tipping & Material Disposal Fees, & Equipment Rentals W/Operator Of Any Amount, & Invoiced Services >$10,000	Varies	$ -
Invoiced Cost ≤ $25,000		
$25,000 < Invoiced Cost ≤ $100,000		
Invoiced Cost > $100,000		
Subtotal, Engineer-Approved Contractor Mark-Ups		$ -
TOTAL COST OF MODIFICATION		**$ -**

SAMPLE

DAILY FORCE ACCOUNT WORKSHEET

DATE	PW CONTRACT NO.	PROJECT TITLE	MP NO.
8/22/2011			

CONTRACTOR	SUBCONTRACTOR NAME (if applicable)	ACTIVITY (WC) NO.

DESCRIPTION OF WORK

LABOR

Employee Name	Job Classification	Regular Work Hours	Regular Work Rate	Overtime Work Hours	Multiplier/Rate	Markup	Amount
					$ -	27%	$ -
					$ -	27%	$ -
					$ -	27%	$ -
					$ -	27%	$ -
					$ -	27%	$ -
						$	-

MATERIALS

Description	Supplier	Invoice #	Quantity	Unit Cost	Base Cost	Markup	Amount
					$ -	17%	$ -
					$ -	17%	$ -
					$ -	17%	$ -
					$ -	17%	$ -
						$	-

CONTRACTOR-OWNED EQUIPMENT

Equipment Desc.	Model No.	Operating Time Hours	Operating Time BB Rate	Standby Time Hours	Standby Time BB Rate	Markup	Amount
						17%	$ -
						17%	$ -
						17%	$ -
						$	-

SMALL TOOLS (PAID BY LUMP SUM PER AGC/WSDOT EQUIPMENT RENTAL AGREEMENT)

Vendor	Equipment Description	Invoice #	Negotiated Amt.	Markup	Amount
				17%	$ -
				17%	$ -
				$	-

RENTED EQUIPMENT (RENTED WITHOUT OPERATOR ONLY)

Rental Agency	Equipment Description	Invoice #	Invoiced Amt	Markup	Amount
				17%	$ -
				17%	$ -
				$	-

INVOICED SERVICES COSTING $10,000 OR LESS

Providing Company	Description of Service	Invoice #	Invoiced Amt	Markup	Amount
				17%	$ -
				17%	$ -
				$	-

SUBCONTRACTS, TIPPING FEES, INVOICED SERVICES >$10,000, & EQUIPMENT RENTED WITH OPERATOR

Providing Company	Description	Invoice #	Invoiced Amt	Markup	Amount
				12%	$ -
				12%	$ -
				12%	$ -
				$	-

TOTAL AMOUNT FOR MONDAY, AUGUST 22, 2011 **$ -**

SUBMITTED BY: **REVIEWED AND APPROVED BY:**

Contractor's Representative

Chris Jewell, Construction Manager

cc: Parks Project Manager, Parks Inspector, Designer, Contractor

SAMPLE