

**SAN FRANCISCO PUBLIC UTILITIES COMMISSION
INFRASTRUCTURE CONSTRUCTION
MANAGEMENT PROCEDURES**

**SECTION: SFPUC INFRASTRUCTURE
CONSTRUCTION MANAGEMENT**

APPROVED: 

PROCEDURE NO: 013

DATE: 6/7/2019

**TITLE: ADMINISTRATION OF FORCE
ACCOUNTS (Time & Materials)**

REVISION: 1

1.0 Policy

Addition, deletion or revision of the Work performed by the Contractor shall be paid for on a bilateral, unilateral or Force Account Work basis. If an agreement cannot be reached to pay for the addition, deletion or revision of the Work on a unit price or lump sum basis when time is critical, or if those methods are impractical, the SFPUC will require the Contractor to perform the addition, deletion or revision of the Work on a Force Account (Time & Materials) Work basis.

This SFPUC Infrastructure Construction Management (CM) Procedure applies to all personnel working on SFPUC Infrastructure construction projects to the extent that their work is affected by this CM Procedure and does not conflict with specific SFPUC policies or the Contract under which the Work is executed.

2.0 Description

Force Account is the payment method used for Change Order Work that is considered exclusive of the agreed-upon Contract, if the Contractor and the City cannot agree on a unit price or lump sum amount. Force Account Work payments cover labor, materials, equipment, consumables, and miscellaneous fees to perform the Work. The Contractor and RE review daily and weekly the Force Account Report to verify and confirm the costs for labor, materials, equipment and other expenses.

2.1 If a negotiated agreement is reached during the course of the Force Account Work, then the initial agreement is superseded by that negotiated contract agreement.

3.0 Definitions

3.1 Construction Management Information System (CMIS)

The CMIS is an on-line management tool for the processing of contract documents based on established SFPUC Infrastructure CM Business Processes. It serves as a tool for effective storage and retrieval of various documents generated during a construction project. Processing of Daily Inspection Reports and force account will utilize the CMIS.

3.2 Daily and Weekly Records

The Contractor shall maintain and submit detailed records of all work completed on a Force Account daily. The Contractor shall provide a Force Account Weekly Support Report summarizing the status of each Force Account directive. The Contractor and RE will compare records of the cost of completed Force Account work and reach agreement on any discrepancies. Weekly Force Account reports shall include all costs related to the work performed during that week.

3.2.1 In most cases the Lead Construction Inspector who performs the inspection of the Contractor's field work will review and approve the daily Force Account Reports (refer to Attachment 013-2).

3.2.2 The Project Force Account Work Weekly Summary Report format is provided in Attachment 013-4.

3.3 Equipment

Payment for Contractor furnished rental equipment shall be based on the Contract Equipment Rental Schedule as last issued and currently in effect on the date the Force Account Agreement is executed.

3.3.1 Compensation for rental can include machinery, special equipment, fuel, and lubricants that are authorized per Contract specifications.

3.4 Force Account Work (Time & Materials)

Force Account Work (Time & Materials) are what the SFPUC agrees to pay the Contractor for all time and materials used on the project including a fee or percentage of all project costs as allowed by the contract documents.

3.4.1 Negotiated Agreements: If the Contractor and RE reach and execute a negotiated agreement, that negotiated agreement supersedes the current Force Account work basis.

3.4.2 After approval of the daily records and reports, the Contractor shall incorporate these costs into the monthly Application for Payment submittals.

3.5 Labor

Payment for Contractor provided labor shall be based on daily time sheets and certified payroll provided by the Contractor for approval by the RE (or designee) (refer to Attachment 013-2).

3.6 Materials

Payment for Contractor provided acceptable materials delivered and used on the Project, including transportation charges paid by the Contractor (exclusive of machinery rentals). Additional percentage mark-ups will be added for overhead and profit based on Contract Force Account Work Contract Specifications.

3.7 Miscellaneous Compensation/Expenses

In addition to compensation for labor, materials and equipment, the Contractor may be requested to execute miscellaneous activities or pay fees under the Force Account Contract provision as expenses.

3.7.1 The Contractor shall be paid actual costs of miscellaneous fees incurred for performance of Force Account Work (materials disposal fees, permits, licenses, etc.).

3.8 Not-to-Exceed Budget

The RE will direct the Contractor to proceed with the Work on a Force Account basis with a "Not-to-Exceed" budget. After review of the Work scope and schedule, and input from the CM team, this estimated budget is set by the RE and shall comply with the threshold amounts established by CMB Manager.

3.8.1 The Contractor shall notify the RE when 80% of the "Not-to-Exceed" (NTE) Force Account budget is reached. If the Contractor fails to notify the RE, the Contractor will not be compensated for Force Account Work exceeding the "NTE" budget amount.

3.9 Reports

The Contractor shall prepare and submit a Daily Force Account Report (FAR) on the Form provided by the City to the RE no later than 12:00 pm of the day following performance of Force Account Work. The report shall provide an itemized, detailed account of the daily Force Account labor, materials, equipment and other miscellaneous expenses (refer to Attachment 013-2).

The Contractor will summarize all Daily Reports into one weekly report indicating status of actual costs incurred as a percent of the budget for the respective Force Account directive and the estimated percentage completion of the Force Account.

4.0 Responsibilities

4.1 Resident Engineer

The Resident Engineer with support of the Office Engineer (OE) and Field Contracts Administrator (FCA) is responsible for the negotiation, implementation and completion of the extra work performed under a Force Account basis.

4.1.1 Prior to start of Force Account Work, the Resident Engineer typically receives from the Contractor an estimated cost for labor, equipment, materials and consumables as the basis for the initial cost estimate.

4.2 Office Engineer (OE)

The OE (with concurrence from the Lead Construction Inspector) performs the quality assurance review of the Force Account Records and Reports for approval by the Resident Engineer.

4.3 Field Contracts Administrator (FCA)

The FCA is responsible for maintaining a Force Account file and assisting the Resident Engineer in reviewing the reimbursement requests for conformance to the Contract Force Account schedules and rates.

4.3.1 For smaller projects the OE or other project CM team member designated by the Resident Engineer can perform the role of the FCA.

4.3.2 The FCA develops and maintains the Project Force Account Report Log which sequentially lists all authorized Time and Material work by tracking number, description, budget amount, duration period and status (refer to Attachment 013-3).

4.3.3 Periodically, the FCA will spot check the project labor rates for prevailing wage compliance.

4.4 Construction Inspector(s)

The Construction Inspectors prepare the Daily Inspection Reports which document the progress of work by the Contractor. The Lead Construction Inspector reviews the Contractor's Daily Report and Contractor Daily Inspection Reports.

4.4.1 The CM team reviews the various inspection reports to confirm the Force Account (Time & Materials) work schedule status.

4.5 Contractor

The Contractor is responsible for performing and completing the work in accordance with Articles 6.06 and 6.07 of the General Conditions Contract Documents Specification No. 00 72 00. The Contractor prepares and submits the Force Account Daily Records and Reports for the RE's review and approval.

5.0 Implementation

5.1 Scope and Budget Development and Negotiation

5.1.1 The Contractor or RE identifies an agreed upon "Need" or Merit for additional Work where time is of the essence and there is not adequate time to negotiate or that the scope of work cannot be fully defined, or the parties cannot agree on the cost of the work in time.

- 5.1.2 The Contractor and RE review the scope of work to determine if it is already included in the Contract Documents.
- If both parties agree the needed Extra Work is not in the Contract Documents, they will start negotiating a new contractual agreement.
 - If the Contractor and RE do not agree on the contractual status of the needed Extra Work, then they escalate the matter following the Escalation Ladder then refer to the Dispute Review Board (CM Procedure No. 026) or Dispute Resolution Advisor (CM Procedure No. 025) for recommendations. However, the Contractor shall proceed with work implementation during the resolution review process.
- 5.1.3 If the Contractor and RE are unable to reach a Lump Sum or Unit Price negotiated contractual agreement, and the RE and Contractor agree that there is Merit for the Extra Work then the RE instructs the Contractor to proceed with the Extra Work on a Force Account (Time & Materials) basis.
- 5.1.4 The RE develops a rough estimate of the not-to-exceed (NTE) amount and/or requests a cost and time estimate from the Contractor.

5.2 Force Account Authorization

- 5.2.1 The RE directs the FCA to implement the Force Account contract protocols as specified in Technical Specification 00 72 00, General Conditions, Article 6.07, including recording, reporting, and submittal and approval requirements.
- 5.2.2 The Force Account Work may be ordered by issuing a Change Order to encumber new funds for a NTE amount to perform the extra work on a Force Account basis.
- 5.2.3 The RE directs the Contractor to proceed with the Work on a Force Account basis along with the recording and reporting requirements.
- 5.2.4 Contractor shall notify the City in writing at least 24 hours in advance of schedule of the work before proceeding with his Force Account work.
- 5.2.5 All Force Account work shall be witnessed, documented and approved by designated CM team personnel on the day that the Work is performed. In most cases, the initial daily records approver is the Construction Inspector or CM team member responsible to supervise the Contractor's work.

5.3 Record Keeping

- 5.3.1 Standard Weekly Submittal Form: In this form, the actual spent force account budget would be listed as well as the NTE budget.

If 80% of the NTE budget is expended, this standard form would note further actions are needed and contractor should alert all parties.

- 5.3.2 Force Account Work shall be monitored and documented in Daily Inspection Reports by the Lead Construction Inspector. The Force Account quantities shall be documented on the FAR and shall be mutually signed off by the Contractor and Construction Inspectors no later than 12:00 pm of the day following performance of Force Account Work. The Lead Construction Inspector retains a copy of all signed FARs for the appropriate files.
- 5.3.3 The FCA maintains a Force Account Report Log (refer to Attachment 013-3).
- 5.3.4 The Contractor shall provide a Weekly Force Account Summary indicating the status of each Force Account Work directive in terms of actual costs incurred as a percentage of the budget for the respective Force Account Work directive and the estimated percentage completion of the Force Account Work.
- 5.3.5 The report shall provide an itemized detailed account of the force account labor, material and equipment, including names of the individuals and the specific pieces of equipment identified by manufacturer's model type and serial number.
- 5.3.6 Contractor shall maintain a detailed record of all work done under Force Account basis. Contractor shall provide a weekly Force Account summary indicating the status of each Force Account Work directive in terms of actual costs incurred as a percent of the budget for the respective Force Account Work directive and the estimated percentage completion of the Force Account Work.

5.4 Payment Approval

- 5.4.1 Records and Report Submittal: With each monthly payment application, the Contractor should submit all FARs fully priced for reimbursement along with supporting invoices as Applicable.
- 5.4.2 Records and Report Review:
 - 5.4.2.1 The OE shall perform quality assurance of Force Account records and reports.
 - 5.4.2.2 The FCA will compare quantities on the priced out FAR's against the FAR initially signed by the City Representative for quantities and then verifies labor, materials, equipment and expense costs.
 - 5.4.2.3 The FCA should resolve any discrepancies with the Contractor prior to payment.
 - 5.4.2.4 If approval is given by the OE and FCA, the RE approves and returns the information to the Contractor.

5.4.3 Applications for Payment: The Contractor incorporates the Force Account information into the monthly Application for Payment submittal. Refer to CM Procedure No. 010, Applications for Payment for details.

6.0 Other Procedural Requirements

CM Procedure No. 010 Applications for Payment

CM Procedure No. 030 Daily Inspection Reports

7.0 References

7.1 Technical Specifications

Section 00 72 00, General Conditions; Article 6.07: Force Account Work

Section 00 72 00, General Conditions; Article 11.01: Prevailing Wages
and Article 11.02: Payrolls

7.2 CM Procedures

No. 025 Dispute Resolution Advisor

No. 026 Dispute Review Board

7.3 Other

None

8.0 Attachments

013 – 1 Force Account Report Format

013 – 2 Force Account Report Log Format

013 – 3 Project Force Account Work Weekly Summary Report Format

013 - 4 Revision Control Log

Attachment 013 – 1 Force Account Report Format

(Project No. & Title)											
Date								FAR No.			
Performed:								Task Order No.			
Work								Change Order No.			
Perform By:	fill in company name										
Work								Disputed Work (check box if yes) <input type="checkbox"/>			
Description:	fill in work performed for the day										
CALTRANS Equipmt Code	Equipment	Check if Idle	Hours	Rate	Amount		Labor (Name & Class)	Hours	Burdened Rate	Amount	
					Owned	Rented					
							<i>must fill in name & classification</i>	Reg.			
								O.T.			
								Reg.			
								O.T.			
								Reg.			
								O.T.			
								Reg.			
								O.T.			
								Reg.			
								O.T.			
								Reg.			
								O.T.			
Total Cost of Equipment								Reg.	Insert Surcharge % here.		
								O.T.			
			Subtotal								
			Total Ow ned & Rented								
	Material		Quantity	Unit Cost	Amount					Subtotal	
										Caltrans Labor Surcharge %	
										Subsistence	
										Travel Expense	
										Total for Labor	
										Total for Equipment	
										Total for Materials	
										+ 33% on Labor	
										+ 15% on Equipment & Materials	
										Total Cost of Labor, Equipment & Materials	
										5% on Lower Tier Subcontractor's Work	
										5% on First Tier Subcontractor's Work	
Total Cost of Material										Total for this Report	
FIELD						OFFICE					
Submitted:						Submitted:					
			Contractor's / Subcontractor's Representative			Date			Contractor's Representative		
			Date						Date		
Verified:						Accepted:					
			Project Construction Manager's Representative			Date			Project Construction Manager		
			Date						Date		

Attachment 013 – 2 Force Account Report Log Format

Attachment 013 - 2

Change Order No.: _____
 Task Order No.: _____ Bid Item No.: _____
 NTE Amount: _____
 Title of T.O./C.O.: _____

FAR #	Date of Work	Description of Work	Date Submit for Payment	Paid in Prog Payment #	Amount Submitted	Amount Approved	Amount Unresolved	Notes
Totals					\$0.00	\$0.00	\$0.00	

**Attachment 013 – 3
Project Force Account Work Weekly Summary Report Format**

Project	<name>	Project Number	
Contract	<name>	Contract Number	
Report Period	<week ending date>	Date Submitted	
Contractor	<name>		
Project CM	<name>		
FORCE ACCOUNT WORK INFORMATION			
FAR No.		Work Start Date	
PCC No.		Est. Work Completion Date	
WEEKLY PROGRESS AND ACCOMPLISHMENTS			
< This area will expand>			
Estimated Percent Field Work Completed			
Estimated Percent Amount Authorized Spent			
ACTIVITIES PLANNED FOR NEXT WEEK			
< This area will expand>			
AREAS OF CONCERN AND POTENTIAL ISSUES			
< This area will expand>			
ATTACHMENTS: SUMMARY OF DAILY FORCE ACCOUNT WORK FORMS			
< This area will expand>			

**Attachment 013 - 4
Revision Control Log**

Revision No.	Revision Date	What changed?
Rev 1	6/7/19	<ul style="list-style-type: none">• Minor format changes;• Attachments revised;• Revision Control Log updated.
Rev 0	11/14/16	Signed