



Contract Number 009344	Contract Title SR 20: Deception Pass and Canoe Pass Bridges - Painting & Special R	Federal Aid Number NHPP-0020(194)
Change Order Number 006	Change Description Change in Nature of the Work	Date 5/5/2020
Region Northwest	Project Engineer Shane Spahr	Phone Number 360-848-7103
Prime Contractor / Design-Builder Eagle Industrial Painting, LLC		
<input checked="" type="checkbox"/> Ordered by Engineer under the terms of Section 1-04.4 of the Standard Specifications or the <input type="checkbox"/> Change proposed by Contractor / Design-		
Evolution Description Of Change <p>On September 26, 2019, before paint removal began, the Contractor told the Disputes Review Board that the paint thickness may be thicker than anticipated. After paint removal began on October 3, 2019, the Contractor notified WSDOT that it was taking longer to remove the existing paint than anticipated. The Contractor contended that the existing paint system and paint thickness was not as indicated in the bid documents.</p> <p>On November 12, 2019, the Contractor formally notified WSDOT contending this constitutes a Differing Site Condition (DSC). On November 22, 2019, WSDOT disagreed it constitutes a DSC and determined no entitlement is warranted for this issue. The Contractor then requested WSDOT re-evaluate the determination on December 20, 2019. WSDOT re-evaluated the determination and on January 3, 2020 made a final determination that no DSC exists.</p> <p>To establish a path towards resolution the Contractor agreed to a pre-escalation meeting with WSDOT's Deputy State Construction Engineer. The pre-escalation meeting was held on January 23, 2020. Following this meeting WSDOT determined some entitlement exists due to a change in the nature of the Contract Work due to the thicker paint and paint system. Documentation describing the paint coating history of these structures was not included in the Reference Information provided to Bidder's. This document and noted history could have enabled the Bidder's to more adequately anticipate the coatings that exist on these bridges.</p> <p>Based on the determination that some entitlement did exist, the Engineer then assessed the cost and time impacts of what WSDOT determines to be a change in nature of the Work over and above what was reasonable to bid for the Contract as advertised. Combined with Change Order 5, this change order compensates the Contractor in Contract time and money for the additional effort required to remove the existing paint from the Deception and Canoe Pass Bridges.</p> <p>Partial interim compensation for this change was provided by Change Order 5. Change Order 5 acknowledged that negotiations were in progress and future compensation, if any, would be processed through an additional change order. Change Order 5 was unilaterally executed, with surety consent provided by letter. Following negotiations, this change order completes the compensation to the Contractor for the determined impacts to Deception and Canoe Pass Bridges for this change in the nature of the Contract Work.</p> <p>Change Order 6 also documents the adjustment to Condition of Award (COA) work. Bid Item 38 (Project Temporary Traffic Control) in the Contract is performed by an Underutilized Disadvantaged Business Enterprise (UDBE) subcontractor and was part of the COA. The new lump sum item "CO6 - Additional Traffic Control" provides payment for additional traffic control due to the change in the nature of the Contract Work. The cost impacts of this change order and Change Order 5 have increased the total value of the Contract. With a portion of the increased Contract value being for traffic control Work performed by a UDBE, the COA for the UDBE subcontractor will be increased proportional to the UDBE goal set in the Contract of 4% plus the amount over-committed at bid time. Thus, this change order will increase the overall project COA commitment in the amount of 4% of the new Contract value, less the dollars already committed to.</p>		

Distribution By:

**Project Office**

- Copy of Change Records Change Order w/Backup - Project Engineer
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DOT Form 422-002

**Region**

- Revised 10/2019 Original of Change Records Change Order w/Backup - State Construction Office

Contract Number 009344	Contract Title SR 20: Deception Pass and Canoe Pass Bridges - Painting & Special R	Change Order Number 006
<p>Basis of Cost Justification:</p> <p><b>BASIS OF COST</b></p> <p>The change in the nature of the Contract Work, due to the thicker paint and paint system, resulted in additional surface preparation efforts necessary for bridge painting. WSDOT recognizes the Contractor's costs and the amount of time needed to perform the Contract Work has increased. Surface preparation production rates have decreased due to the change in the nature of the Contract Work, increasing both the time and the labor, equipment, and materials needed to complete the existing paint removal Work in the Contract.</p> <p>In the Contractor's presentation to the Deputy State Construction Engineer, Eagle Industrial Painting (EIP) noted that they should have been able to achieve a production rate of 70 square feet per hour per blaster if not for this paint issue. WSDOT is using this rate as a basis for expected production.</p> <p>The added costs were estimated by analyzing actual costs using force account methods, namely using certified payrolls, equipment lists, rental invoices and material cost sheets. Using Inspectors Daily Report and Certified Payrolls WSDOT &amp; EIP were able to determine the actual number of hours spent in paint removal. Using that an actual cost of the removal effort was obtained as well as the number of hours spent on the removal. These actual costs and time were compared against the planned rate of 70 SF/hr/blaster to obtain the added costs due to EIP for the paint thickness and system.</p> <p>(continued in Attachment A)</p> <p><b>JUSTIFICATION</b></p> <p>The Contractor demonstrated cost impacts associated with the increased effort and time necessary to perform the Contract Work. Based on a change in the nature of the Contract Work, the Contractor is entitled to additional costs for Work performed.</p> <p>The cost impacts directly related to additional surface preparation due to the change in nature of the Contract Work were calculated in two parts: impacts to date and anticipated future costs. For the purposes of this explanation a section is defined as the distance spanning two panel points of the bridge, as the Contractor created independent containment sections encompassing two panel points at a time.</p> <p>(continued in Attachment A)</p>		
<p>Contract Time:</p> <p>One-hundred-sixty (160) Working Days will be added to the Contract as a result of this change order. Surface preparation is on the critical path and surface preparation production rates have decreased due to the change in the nature of the Contract Work. The number of additional Working Days needed was determined using the same methodology as was used for cost. It was calculated as the difference between the number of days it would have taken at the expected production rate and the calculated achieved/expected future production rate. Additional days were also provided for an additional winter shutdown.</p>		
<p>Prior Approvals:</p> <p>The Construction Office PE, Shane Spahr, and the Mount Baker Area Engineering Manager, Chris Damitio, verbally approved this change order on 5/5/2020. The Assistant State Construction Engineer, Kevin Waligorski, approved this change order on 5/5/2020. The Lead State Construction Engineer, Jon Deffenbacher, and the State Construction Engineer, Chris Christopher, verbally approved this change order on 5/5/2020. Ziyad Zaitoun with the Office of Equal Opportunity (OEO) approved this change order on 3/10/2020.</p>		
<p>List Attachments:</p> <p>Attachment A, CO6 Change Record - Continued (2 pg) <span style="float: right;">Attachment E, CO6 Working Day Estimate (1 pg)</span>  Attachment B, CO6 Document (8 pg)  Attachment C, CO6 Checklist (1 pg)  Attachment D, CO6 Cost Analysis (4 pg)</p>		

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**Region**

**9344**  
**Change Order 6**

**Attachment A:**  
**CO6 Change Record - Continued**

**BASIS OF COST**

(continued from Change Record)

In addition to direct paint removal impacts, the thickness and paint system also increased the traffic control costs as more lane closures will be needed for additional material deliveries and hazardous waste exports.

The additional time needed to perform the Contract Work has added an additional winter shutdown and has a large enough effect on Working Days such that a Schedule Update is needed to plan the delivery of the Contract.

The increased Contract value due to the dollar amount of this change order and Change Order 5 increased the cost of the Contractor's bond, warranting compensation to the Contractor for the added costs.

**JUSTIFICATION**

(continued from Change Record)

Impacts to date were determined using actual labor and equipment costs, and actual abrasive blasting production rates achieved in 2019 on four sections of Canoe Pass Bridge (in the first section 12.3 SF/hr/blaster, in the second section 19.4 SF/hr/blaster, in the third section 30.1 SF/hr/blaster, and in the fourth section 25.7 SF/hr/blaster). These rates were calculated using actual hours worked based on the Contractor's certified payroll for each containment section completed to date, based on the surface areas of the structures. The cost difference between the achieved blasting production rates described above, and the Contractor's expected blasting production rate of 70 SF/hr/blaster, was determined to be the cost impacts to date for surface preparation due to the Change.

Anticipated future costs were determined in the same fashion, using estimated labor and equipment costs based on the actual costs to date, and expected production rates that will likely be achieved in the future. With no significant changes in the third and fourth sections, the average of these production rates, 27.7 SF/hr/blaster, was established to be the achievable rate for work completed in 2019. It is expected that as a Contractor continues repetitive operations the production rates are expected to increase. Considering this in determining an expected production rate for future work, incremental 2% increases are anticipated. For the remaining southern sections of Canoe Pass Bridge, a 2% increase in the 27.7 SF/hr/blaster production rate, or 28.3 SF/hr/blaster, was used to calculate costs. For the remaining northern sections of Canoe Pass Bridge, another 2% increase over the 28.3 SF/hr/blaster, or 28.9 SF/hr/blaster, was used to calculate costs. For the entire Deception Pass Bridge, another 2% increase over the 28.9 SF/hr/blaster, or 29.5 SF/hr/blaster was used to calculate costs. As calculated above for cost impacts to date, the cost difference between the expected blasting production rates, and the Contractor's expected blasting production rate of 70 SF/hr/blaster, was determined to be the anticipated future cost impacts for surface preparation due to the Change.

The approved force account labor rates were used to calculate labor costs, and equipment costs were determined from rental invoices and Blue Book sheets.

The amount of the new item "CO6 – Change in Nature of the Work", per LS, will be the sum of the impacts on Canoe Pass Bridge of \$1,278,639.03 and on Deception Pass Bridge of \$1,892,494.41, less the interim payment of \$1,500,000 provided on Change Order 5. Thus, the net cost of item "CO6 – Change in Nature of the Work" is \$1,671,133.44. This item will compensate for all surface preparation labor, equipment, and material costs related to the change in the nature of the Contract Work on Deception and Canoe Pass Bridges. This item will also compensate for all additional overhead and profit related to the change in the nature of the Contract Work on Deception and Canoe Pass Bridges.

In addition to the cost impacts for surface preparation, the change in the nature of the Contract Work also impacted various other costs. With 160 Working Days added by this change order, the length of the Contract is significantly impacted. This manifests into more costs for traffic control, for providing a Schedule Update to plan the delivery of the Contract, for an additional winter shutdown, and for additional bond costs.

The unit bid price for the new item, "CO6 - Additional Traffic Control", per LS, will be in the amount of \$200,640.00. This item will compensate for all traffic control labor, equipment, and material costs related to the change in the nature of the Contract Work on Deception and Canoe Pass Bridges. After all Bid Item 38 (Project Temporary Traffic Control) funds are dispersed, the item "CO6 - Additional Traffic Control" will be paid at the same rate per Working Day charged until the Bid Item has been paid in full. If Physical Completion is granted and Working Days remain, any remaining funds for this item will be promptly paid. This amount was determined by using EIP's lump sum breakdown for traffic control, which is by the Working Day, and multiplying it by the increased number of Working Days (160).

The unit bid price for the new item, "CO6 - Schedule Update", per LS, will be in the amount of \$30,000.00. This item will compensate for all costs related to the additional Schedule Update required to account for rescheduling the Work due to this change. The item "CO6 - Schedule Update" will be paid in full upon the Engineer's approval of the Schedule Update. This amount was determined by looking at how much it cost EIP to develop their original schedule.

The unit bid price for the new item, "CO6 - Winter 2020-2021 Shutdown", per LS, will be in the amount of \$514,051.72. This item will compensate for all costs related to needing an additional winter shutdown needed during the 2020-2021 winter season due to the addition of 160 Working Days to the Contract. This amount was determined by using known Winter 2019-2020 shutdown costs and increasing them by 2% to account for inflation.

The unit bid price for the new item, "CO6 - Additional Bond Cost", per LS, will be in the amount of \$40,434.81. This item will compensate for all added bond costs due to the increased Contract value from all issues related to the paint thickness. The item "CO6 - Additional Bond Cost" will be paid in full upon execution of this change order. This was calculated by using a formula for bond cost increases due to increases in contract costs.

The Engineer determined the total cost impacts due to the change in nature of the Contract Work to be \$3,956,259.97. Less the \$1,500,000.00 provided as an interim payment through Change Order 5, the net value of Change Order 6 is \$2,456,259.97.

WASHINGTON STATE  
DEPARTMENT OF TRANSPORTATION  
CHANGE ORDER

DATE: 05/05/20  
PAGE 1 of 6

CONTRACT NO: 009344 FEDERAL AID NO: NHPP-0020 (194)  
CONTRACT TITLE: SR 20, DECEPTION PASS AND CANOE PASS BRIDGES PAINT  
CHANGE ORDER NO: 6 CHANGE IN NATURE OF THE WORK

PRIME CONTRACTOR: SW0247548 EAGLE INDUSTRIAL PAINTING, LLC  
3215 MAGNOLIA RD NW  
MAGNOLIA OH 44643-9527

(X) Ordered by Engineer under the terms of Section 1-04.4 of the Standard Specifications  
( ) Change proposed by Contractor

ENDORSED BY:  <b>Unilateral</b>	SURETY CONSENT:
CONTRACTOR  _____	ATTORNEY IN FACT  _____
DATE	DATE

ORIGINAL CONTRACT AMOUNT: 13,998,005.00  
CURRENT CONTRACT AMOUNT: 15,654,108.47  
ESTIMATED NET CHANGE THIS ORDER: 2,456,259.97  
ESTIMATED CONTRACT TOTAL AFTER CHANGE: 18,110,368.44

Approval Required: ( ) Region ( ) Olympia Service Center ( ) Local Agency

(X) APPROVAL RECOMMENDED ( ) EXECUTED  <i>J. M. [Signature]</i>	EXECUTED:  <i>Robert E. Christopher III</i> <small>Robert E. Christopher III (Jun 19, 2020 08:15 PDT)</small>
PROJECT ENGINEER <b>May 20, 2020</b> _____ DATE	STATE CONSTRUCTION ENGINEER <b>Jun 19, 2020</b> _____ DATE
(X) APPROVAL RECOMMENDED ( ) EXECUTED Regional Admin: <i>Chris Damitio</i> <small>Chris Damitio (May 20, 2020 11:11:11)</small>	OTHER APPROVAL WHEN REQUIRED
BY: <b>May 20, 2020</b> _____ DATE	SIGNATURE  _____ DATE  REPRESENTING

WASHINGTON STATE  
DEPARTMENT OF TRANSPORTATION  
CHANGE ORDER

DATE: 05/05/20  
PAGE 2 of 6

CONTRACT NO: 009344

CHANGE ORDER NO: 6

All work, materials, and measurements to be in accordance with the provisions of the Standard Specifications and Special Provisions for the type of construction involved.

This contract is revised as follows:

DESCRIPTION

This change order provides additional compensation and Contract Time resulting from the change in the nature of the Contract Work related to removing paint from the Deception Pass and Canoe Pass Bridges. The added payment and Contract Time associated with this change order is in addition to Change Order 5, and resolves all issues related to paint thickness. This change order also increases UDBE Condition of Award amounts.

The Contractor, Eagle Industrial Painting, LLC., by the signing of this change order agrees and certifies that:  
Upon payment of this change order in the amount of \$2,456,259.97, any and all claims related to paint thickness have been satisfied in full and the State of Washington is released and discharged from any such claims or extra compensation.

MEASUREMENT

No unit of measure will apply to the new bid item "CO6 - Change in Nature of the Work". No unit of measure will apply to the new bid item "CO6 - Additional Traffic Control". No unit of measure will apply to the new bid item "CO6 - Schedule Update". No unit of measure will apply to the new bid item "CO6 - Winter 2020-2021 Shutdown". No unit of measure will apply to the new bid item "CO6 - Additional Bond Cost".

PAYMENT

The new lump sum item "CO6 - Change in Nature of the Work" shall be full payment for all costs, including but not limited to, surface preparation labor, equipment, and material costs, but with the exception of the disposal of the additional containment waste covered by Bid Item 10, related to the change in the nature of the Contract Work on Deception and Canoe Pass Bridges. Payment of the item "CO6 - Change in Nature of the Work" will be as follows: \$94,054.76 will be paid when the surface preparation is complete on 6 spans on Deception Pass Bridge. \$105,138.58 will be paid when the surface preparation is complete for each 2 spans, of the 30 remaining spans, on Deception Pass Bridge until the Bid Item is paid in full.

The new lump sum item "CO6 - Additional Traffic Control" shall be full payment for all additional traffic control labor, equipment, and material costs related to the change in the nature of the Contract Work on Deception and Canoe Pass Bridges. After all Bid Item 38 (Project Temporary Traffic Control) funds are dispersed, the item "CO6 - Additional Traffic Control" will be paid at the same rate per Working Day charged until the Bid Item has been paid in full. If Physical Completion is granted and Working Days remain, any remaining funds for "CO6 - Additional Traffic Control" will be promptly paid.

WASHINGTON STATE  
DEPARTMENT OF TRANSPORTATION  
CHANGE ORDER

DATE:05/05/20  
PAGE 3 of 6

CONTRACT NO:009344

CHANGE ORDER NO: 6

The new lump sum item "CO6 - Schedule Update" shall be full payment for all costs related to the additional Schedule Update. Payment of the item "CO6 - Schedule Update" will be made upon Engineer's approval of the Schedule Update.

The new lump sum item "CO6 - Winter 2020-2021 Shutdown" shall be full payment for all costs related to needing an additional winter shutdown needed during the 2020-2021 winter season.

The new lump sum item "CO6 - Additional Bond Cost" shall be full payment for added bond costs resulting from all issues related to the paint thickness. Payment of the item "CO6 - Additional Bond Cost" will be made upon execution of this change order.

CONTRACT TIME

One-hundred-sixty (160) Working Days are added to the Contract as a result of this change order.

WASHINGTON STATE  
DEPARTMENT OF TRANSPORTATION  
CHANGE ORDER

DATE:05/05/20  
PAGE 4 of 6

CONTRACT NO:009344

CHANGE ORDER NO: 6

ITEM NO	GROUP NO	STD ITEM	UNIT OF MEASURE	UNIT PRICE	EST QTY CHANGE	EST AMT CHANGE
ITEM DESCRIPTION: 1003	02		CO6 - CHANGE IN NATURE OF THE WORK L.S.	0.00	0.00	-221,360.97
ITEM DESCRIPTION: 1003	01		CO6 - CHANGE IN NATURE OF THE WORK L.S.	0.00	0.00	1,892,494.41
ITEM DESCRIPTION: 1004	02		CO6 - ADDITIONAL TRAFFIC CONTROL L.S.	0.00	0.00	84,480.00
ITEM DESCRIPTION: 1004	01		CO6 - ADDITIONAL TRAFFIC CONTROL L.S.	0.00	0.00	116,160.00
ITEM DESCRIPTION: 1005	02		CO6 - SCHEDULE UPDATE L.S.	0.00	0.00	12,150.00
ITEM DESCRIPTION: 1005	01		CO6 - SCHEDULE UPDATE L.S.	0.00	0.00	17,850.00
ITEM DESCRIPTION: 1010	01		CO6 - WINTER 2020-2021 SHUTDOWN L.S.	0.00	0.00	514,051.72
ITEM DESCRIPTION: 1011	01		CO6 - ADDITIONAL BOND COST L.S.	0.00	0.00	24,058.71
ITEM DESCRIPTION: 1011	02		CO6 - ADDITIONAL BOND COST L.S.	0.00	0.00	16,376.10

AMOUNT TOTAL

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2,456,259.97  
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WASHINGTON STATE  
DEPARTMENT OF TRANSPORTATION  
CHANGE ORDER

DATE:05/05/20  
PAGE 5 of 6

CONTRACT NO:009344

CHANGE ORDER NO: 6

CONTRACTOR NAME/ID	ITEM NO.	C/P	CURRENT COA AMOUNT	REVISED COA AMOUNT	CONTRACTED PROPOSAL AMT	NARRATIVE DESCRIPTION
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OCEANSIDE CONSTRUCTION

202570796	0017	C	51,020.00	51,020.00	64,350.00	NO CHANGE
	0028	C	1,800.00	1,800.00	18,000.00	NO CHANGE
	0039	C	3,128.00	3,128.00	4,760.00	NO CHANGE
	0043	C	800.00	800.00	2,000.00	NO CHANGE
	0002	C	875.00	875.00	5,500.00	NO CHANGE
	0003	P	10,690.00	10,690.00	11,942.00	NO CHANGE
	0004	C	8,250.00	8,250.00	16,500.00	NO CHANGE
	0018	C	760.00	760.00	850.00	NO CHANGE

Contractor Total

77,323.00      77,323.00  
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NORTHERN RESOURCE CONSULTING INC

680601290	0020	P	13,600.00	13,600.00	15,300.00	NO CHANGE
	0021	C	4,250.00	4,250.00	5,950.00	NO CHANGE
	0022	C	35,225.00	35,225.00	40,000.00	NO CHANGE
	0023	C	24,825.00	24,825.00	28,500.00	NO CHANGE
	0024	C	56,800.00	56,800.00	58,000.00	NO CHANGE
	0025	C	58,000.00	58,000.00	60,000.00	NO CHANGE
	0026	C	10,000.00	10,000.00	40,000.00	NO CHANGE
	0027	C	4,275.00	4,275.00	5,700.00	NO CHANGE
	0031	C	900.00	900.00	1,500.00	NO CHANGE

Contractor Total

207,875.00      207,875.00  
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THREE BEARS LLC DBA ARROW TRAFFIC CNTRL

824180267	0038	C	308,500.00	308,500.00	800,000.00	NO CHANGE
	1004	C	0.00	158,250.40	0.00	ADDING TO COA ON CO6

WASHINGTON STATE  
DEPARTMENT OF TRANSPORTATION  
CHANGE ORDER

DATE: 05/05/20  
PAGE 6 of 6

CONTRACT NO: 009344

CHANGE ORDER NO: 6

CONTRACTOR NAME/ID	ITEM NO.	C/P	CURRENT COA AMOUNT	REVISED COA AMOUNT	CONTRACTED PROPOSAL AMT	NARRATIVE DESCRIPTION
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Contractor Total

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	308,500.00	466,750.40
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Change Order Total

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	593,698.00	751,948.40
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