1.0 Policy
Extra Work performed by the Contractor shall be paid for on a negotiated, unilateral or Force Account Work basis. If an agreement cannot be reached to pay for the Extra 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 Extra 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 Extra Work that is considered exclusive of the agreed Contract, if the Contractor and Construction Manager 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 Construction Manager review daily the Force Account Report to verify costs for labor, materials 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2.1 If a negotiated agreement is reached during the course of the Force Account Work, then the initial agreement is superseded by the new contract agreement.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 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 on a daily basis. The Contractor shall provide a Force Account Weekly Support Report summarizing the status of each Force Account directive. The Contractor and Construction Manager will compare records of the cost of completed Force Account work and reach agreement on any discrepancies.

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 or Time & Materials Contractual Form documents 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.

3.4.1 Negotiated Agreements: If the Contractor and Construction Manager reach and execute a negotiated agreement, a 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 provided by the Contractor for approval by the Construction Manager (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 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 Construction Manager will direct the Contractor to precede with the Extra Work on a Force Account basis with a “Not-to-Exceed” budget. After review of extra work scope and schedule, and input from the CM team, this estimated budget is set by the Construction Manager and shall be in compliance with threshold amounts established by SSIP Program Director.

3.8.1 The Contractor shall notify the Construction Manager when 80% of the “Not-to-Exceed” (NTE) Force Account budget is reached. If the Contractor fails to notify the Construction Manager, 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 Construction Manager 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).

4.0 **Responsibilities**

4.1 **Construction Manager**
The Construction Manager 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 Construction Manager 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 Construction Manager.

4.3 Field Contracts Administrator (FCA)
The FCA is responsible for maintaining a Force Account file and assisting the Construction Manager 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 Construction Manager 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 Construction Manager’s review and approval.

5.0 Implementation

5.1 Scope and Budget Development and Negotiation

5.1.1 The Contractor or Construction Manager identifies an agreed “Need” for Extra Work where time is a critical element.
5.1.2 The Contractor and Construction Manager 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 Construction Manager do not agree on the contractual status of the needed Extra Work, then they 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 Construction Manager are unable to reach a Lump Sum or Unit Price negotiated contractual agreement, the Construction manager instructs the Contractor to proceed with the Extra Work on a Force Account (Time & Materials) basis.

5.1.4 The Construction Manager develops a rough estimate of the not to exceed (NTE) amount or requests a cost and time estimate from the Contractor.

5.2 **Force Account Authorization**

5.2.1 The Construction Manager 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 Construction Manager directs the Contractor to proceed with the Work on a Force Account basis along with the recording and reporting requirements.

5.2.4 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.

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 the ratio reaches 80%, this standard form would note further actions are needed and automatically alerts 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.

5.4 **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 Construction Manager 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 - 4  Revision Control Log
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*Attachment 013 – 1*

**Force Account Report Format**

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**Total**

W: 0.00  M: 0.00  U: 0.00
**PROJECT FORCE ACCOUNT WORK WEEKLY SUMMARY REPORT**

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**FORCE ACCOUNT WORK INFORMATION**

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**WEEKLY PROGRESS AND ACCOMPLISHMENTS**

| 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**

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**ATTACHMENTS: SUMMARY OF DAILY FORCE ACCOUNT WORK FORMS**

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## Revision Control Log

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