

**Forest Service Handbook
National Headquarters - Washington Office
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**Forest Service Handbook 7709.57 – Road Construction Handbook
Chapter 4 - Contract Changes**

Amendment: 7709.57-1992-1

Effective date: September 4, 1992

Duration: This amendment is effective until superseded or removed.

Superseded Directive: Entire Handbook issued September 1986; Title Page; 0--1 thru 7.3

Approved by: F. Dale Robertson, Chief

Date approved:

Responsible Staff:

Explanation of changes: Following is an explanation of the changes throughout the directive by section.

This amendment is a reissuance of FSH 7709.57 to conform the format and structure of the Handbook to the requirements of electronic directive issuance.

This amendment makes no substantive changes to the text. The only changes made are those necessary to meet new format requirements or to correct spelling, punctuation, or unit names.

This Handbook is now available electronically in the National Information Center in the same format as the paper copy. Henceforth, amendments to this Handbook will be issued to Forest Service units electronically on a document basis.

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4.1 - Changes to Public Works and Timber Sale Contracts

The purpose of a contract change is to adjust to unanticipated conditions and still meet the original objectives. Do not initiate changes that may alter the objectives of the original design without first completely reviewing the process for establishing the original design criteria. The Contracting Officer approves all changes, except minor adjustments provided for in the contract. Recognize and implement changes as early as possible.

The Contracting Officer and the Engineer must agree on authority and responsibility for any changes made to public works contracts (FSH 6309.11) and timber sale contracts (FSM 2450 and FSH 2409.15). The changes clause for public works contracts allows for an equitable cost adjustment. The timber sale contract specifies what can be changed and how the cost of the change shall be determined.

4.2 - Coordination

1. Check the basic concept and financial aspects of the proposed change with the Contracting Officer and the Forest Engineer. Consult the designer and other appropriate specialists regarding the proposed change and discuss the proposed change and costs with the contractor.

2. Keep the District Ranger informed to ensure that resource management objectives are met.

3. Consult with the Forest Engineer to ensure that technical requirements are met and that funds are available.

4.3 - Supporting Documents

1. Submit the following information to the Contracting Officer:

- a. The timber sale cost adjustment forms or Form SF 30, Amendment of Solicitation/Modification of Contract.
- b. A full description of the proposed change. Attach drawings as appropriate.
- c. A comparison of the original and revised quantities, contract time, and costs.
- d. Specifications added or deleted.

2. Submit the following information separately for internal use:

- a. A statement justifying the change. Explain why the change should be made and how the price adjustment was made.
- b. A statement describing alternate proposals considered.
- c. A detailed cost estimate based upon time, equipment, labor, and materials in accordance with FSH 7709.56. Use the cost estimate to establish prices. See cost adjustment provisions for rates to be used in timber sale contracts. Document cost differences and negotiations for public works contracts.

All ordered design changes on timber sale contracts must include the words "Ordered Design Change."

4.4 - Value Engineering Change Proposals

1. Application. The Value Engineering Change Proposals (VECP) Clause (FAR 52.248-3) applies to all construction contracts that probably will exceed \$250,000 and may be included in contracts of lesser value. It does not apply to timber sale contracts. The VECP clause encourages cost saving and improved method proposals from contractor, by providing the opportunity for them to share in the cost savings.

2. Proposal. Normally the contractor will discuss a potential VECP with the Engineer to determine feasibility before expending time, labor, and funds. Provide design data, management objectives, and other pertinent information to the contractor. The contractor's VECP must contain design detail commensurate with the risks, values, and complexities of the design feature(s) involved.

3. Evaluation. Use an evaluation process for the contractor's VECP that is also commensurate with the risks, values, and complexities involved. The evaluation process may range from a formal value analysis by four or five specialists for a complex proposal to a simple review by a single specialist or the Engineer for a modest proposal. The Contracting Officer will designate the evaluation team.

4. Timing. The Federal Acquisition Regulations require the Contracting Officer to accept or reject a VECP within 45 days of receipt; therefore, the evaluation and recommendation must be done promptly. If the contractor delivers the VECP to the Engineer, immediately send a copy to the Contracting Officer and the Forest Engineer.