

LIQUIDATED DAMAGES WORKSHEET

Use these instructions to populate the Liquidated Damages worksheet in the next tab section.

FAR 11.501 (B) STATES

Liquidated damages are not punitive and are not negative performance incentives. Liquidated damages are used to compensate the Government for probable damages. Therefore, the liquidated damages rate must be a reasonable forecast of just compensation for the harm that is caused by late delivery or untimely performance..."

If you have a project with multiple completion dates, a separate Liquidated Damages sheet should be prepared for each completion date.

This worksheet shall be completed during the design stage and shall be submitted to the Contracting Officer when a project enters procurement.

ADMINISTRATIVE COSTS

GSA staff

Contracting Officer

COR

Building Manager

Supervisory personnel

Engineering Tech

RAM

Project Director

Fire Protection Engineer

Add staff positions as necessary to reflect your project.

Use salaries for actual associates where known. If not known, consult the GS salary schedules at opm.gov and use the most likely GS grade and step, adjusted for locality, for each position. Divide the annual salary by 2087 hours to obtain the hourly rate.

Estimate the number of hours per week that each type of associate may be working on the project. Remember that past due projects will likely take more time as associates are involved in solving problems and damage control with clients. Include appropriate supervisory time in support of each associate. Consideration should also be given to additional supervisory and management participation normally present with client related projects.

TRAVEL

Regional travel

Service Center/Field Office travel

Determine the personnel who will need to visit the project site if delayed. Estimate the number of visits they will make in one month and the cost of each visit. Divide by 30 days to obtain a daily cost. Account for the hours spent by the associate within the administrative cost category above. If an associate splits time between projects, recover only the cost proportionate to this project.

Regional Travel: From Regional office to project site.

Service Center Travel: From Service Center to project site, typically includes mileage and parking.

CONSULTANTS/CONTRACTS

A/E inspection contract

CM contract

Past due projects often require increased CM/A/E time due to problems and issues created by the delay. When estimating CM or A/E inspection costs, use the weekly rate of the original contract plus the anticipated additional hours necessary to

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Guard service For building In Client Space	manage/inspect a delayed project having complex issues to resolve. Add additional consultants or contracts to suit project.
Security Equipment	Obtain guard costs from the Building Manager or FPS. Be sure to express guard costs as a daily rate.
Site Office - trailers, rented space, tele and data to support GSA construction office	If security equipment, such as magnetometers, are required to facilitate your project, obtain the daily cost from FPS or the Building Manager and include in your calculations.
Fire Watch	If there is a daily cost to maintain a GSA construction office, such as trailer rental or office space rental in a commercial building, include that and the other support and admin costs associated with operating such an office.
	If a "fire watch" service is part of your construction contract and a delay may result in extension, carry a daily cost in the Liquidated Damages. Verify fire watch requirements with ERD.

RENTAL INCOME

Lost Rent (Agency 1) Lost Rent (Agency 2)	Obtain rent and USF figures from the OCS Project Director. These MUST be taken from the agencies OA. Rates can be expressed in Usable, Rentable and Gross square feet. Be sure all figures you use are expressed in Usable square feet.
Additional Lease payments (A1) Additional Lease payments (A2)	If a client is moving from leased to Federal space, calculate the cost to GSA if we need to extend their lease due to delay. Contact the Project Director to get Usable rent and square footage costs as well as any additional costs or fees incurred if move out is delayed.
Additional Rent and fees charged by Lessor	Include any additional rent or fees charged above and beyond normal rental costs as a result of not vacating the space upon lease expiration.

MISCELLANEOUS COST ELEMENTS

Furniture Other special equipment Telecommunications Misc	It is hard to quantify these costs as we do not know whether they will be incurred. However, as we are liquidating all our damages up front, we must do our best to use historical data to project the likelihood of incurring such costs and what they may be. Discussions should be held with the Project Director and RAM to identify what furniture and special equipment may be part of this project. Factors such as a large quantity of furniture or a highly complex Audio/Visual or telecommunication system will warrant carrying a greater cost in this category as it becomes harder for vendors to
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work around project delays in a no-cost manner. Also, the greater the number of ancillary contracts the greater the likelihood of incurring costs in a delay situation. I have elected to divide the cost by 30 days to convert these costs to a daily rate. A different term may be selected allowing for faster or slower recovery of costs if determined to be appropriate by the project team.

OPERATING COSTS

Lost energy savings

New mechanical systems and equipment will result in energy savings. The Asset Manager can provide historic utility costs and the A/E can provide an estimate of energy savings. If the project is delayed, we can collect our "lost" energy savings. The GSA energy Coordinator can also be consulted.

Maintenance and repairs

New mechanical systems and equipment will also reduce O&M and repair costs. Consult the Asset Manager for historic O&M and repair costs and include.

Perform a "reality check" on the cost you've calculated. Is it too low to protect the Government? Is it too high as to possibly limit competition? Does it adequately reflect the importance of the project?

LIQUIDATED DAMAGES DAILY RATE
GRAND TOTAL: \$

Round the liquidated damages rate to the nearest \$10 increment.

SIGNATURE OF PREPARER _____ TITLE _____ DATE _____

SIGNATURE OF CONTRACTING OFFICER _____ DATE _____

Per FAR 11.501(a) the CO must "...consider the potential impact on pricing, competition, and contract administration...." Therefore, the CO shall review the proposed liquidated damages rate and concur.