**Case 1**

The paints specified in the prime contract and a second type tried by an approved painting subcontractor proved unsuitable. All parties to the prime contract and painting subcontract tried to resolve the paint problem.

The time spent seeking solutions to the paint problems meant that the subcontractor's work was slower than the anticipated performance rate. The government blamed the slow performance on the subcontractor and ordered the contractor to remove the subcontractor from the job.

The contractor claimed that the directive was a compensable change to the contract. It said that it was entitled to recover additional costs incurred in getting a second painting subcontractor and damages for which it may be held liable to the first subcontractor for breaching the subcontract.

The Engineer denied the contractors claim for compensation, but also found that there was no basis to the government's contention that the subcontractor was irresponsible or at fault for the slow performance rate.

The contractor appealed the board's decision to the DRB.

1. **Would you regard the owner's actions in directing removal of the sub as interference? Why, or why not?**

2. **What do you think was the outcome of this case?**
Case 2

This case involved a Aviation Administration contract for an Air Force traffic-control center.

While the contractor was laying pipe for a subsurface roof-leader drainage system called for by specifications, the government ordered that the pipe be lowered. The contractor complied. The government then decided that the original elevation was the proper one and directed the contractor to raise the elevation, which it did.

The government acknowledged its two directives and issued a change order extending the contract performance period and compensating the contractor "for the additional cost incurred in effecting the changes".

The contractor claimed the changes caused delays that were not covered by the compensation for additional costs.

The contract contained a standard Construction-changes clause under which the government had allowed the extra compensation. It also included a suspension-of-work clause under which the contractor claimed the additional compensation.
The claim was denied by the Engineer. The Engineer said the government did not unreasonably delay issuance of the change orders, the overall job was not delayed, and the contractor's only remedy was limited to an equitable adjustment under the changes clause.

The contractor then went in Arbitration.

1. Discuss the contractor's apparent rights to an equitable adjustment in this case. What Facts in the case are in his favor?

2. Assume that you are the Arbitrator hearing this case. Write your decision, stating the reasons for your finding.