ARMED SERVICES BOARD OF CONTRACT APPEALS

| Appeal of |) | |
|--------------------------------|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Dailco Corporation, Inc. |))) | ASBCA No. 50191 |
| Under Contract No. 244-95-0018 |) | |
| APPEARANCE FOR THE APPELLANT: | | Harlan B. Krogh, Esq. Moulton, Bellingham, Longo & Mather, P.C. Billings, MT |
| APPEARANCES FOR THE GOVERNME | NT: | Gary Fahlstedt, Esq. James S. Cribari, Esq. Assistant Regional Counsels Office of General Counsel Department of Health & Human Services, Region VIII Denver, CO |

OPINION BY ADMINISTRATIVE JUDGE MOED

Appellant ("Dailco") encountered large pieces of rock in the soil of trenches excavated for footings of the building being constructed under this contract. The rock caused difficulty in making measurements for determining whether the soil compaction required by the specification had been obtained. The Government thereafter allowed Dailco to pour the footings on an alternative basis, namely, testing which showed that the soil in the trenches was capable of bearing the design load. This is a claim for the costs of the efforts to satisfy the compaction requirements and the costs of the alternative tests. At this juncture, only entitlement is to be decided.

FINDINGS OF FACT

1. This appeal relates to a contract for work which included the construction of an addition to a health center (hereinafter the "building addition") operated by the Indian Health Service (IHS) at the Wind River Indian Reservation, Fort Washakie, WY. The contract was awarded on 1 August 1995, as the result of sealed bidding, at the firm, fixed price of \$1,249,000. On 15 August 1995, Dailco received notice to immediately proceed with the work.

2. Among the standard clauses included in the contract were the following: FAR 52.236-2, DIFFERING SITE CONDITIONS (APR 1984); FAR 52.236-3, SITE

INVESTIGATION AND CONDITIONS AFFECTING THE WORK (APR 1984); and FAR 52.243-4, CHANGES (AUG 1987).

3. Mr. James Sorensen was designated by the contracting officer as project officer for the contract. Mr. Sorensen was responsible for providing technical assistance to Dailco and monitoring performance of the contract. He had been instructed that designation as project officer did not allow him to "change, modify or revise the contract specifications, terms and conditions" (R4, tab 3).

4. Under § 02200 ("Earthwork"), ¶ 1.5.B of the contract specification, Dailco was required to "employ and pay for a qualified independent geotechnical testing laboratory to perform soil testing and inspection service during earthwork operations." Dailco employed Apex Surveying, Inc. of Riverton, WY for the required testing services. Apex assigned Mr. Terry Zenk, a civil engineer and surveyor to perform that work.

5. Upon first reporting to the site on 30 August 1995, Mr. Zenk asked Dailco for copies of the drawings, specifications and any soils report relating to the site (R4, tab 8). He was given a copy of a soils report, dated 23 July 1992, prepared by Chen-Northern, Inc. (hereinafter the "C-N report") (R4, tab 21). Mr. Sorensen had furnished a copy of the C-N report to Dailco after the start of construction pursuant to its request, at that time, for a copy of any such report (tr. 1/46). The report related to a program of exploratory drilling and laboratory testing conducted by C-N to obtain data for computation of allowable soil bearing pressure and, in turn, the design of spread footings for the building addition (R4, tab 21).

6. The C-N report had not been included in the solicitation for this contract. According to Mr. Sorensen, who had arranged for preparation of the report, this was in conformity with the normal practice of IHS (tr. 2/79).

7. Para. 1.4 ("Submittals") of § 02200 of the specifications lists five types of test reports which were to be submitted by Dailco's testing service to the Government "*when excavated material differs from soils report*" (emphasis inserted). Dailco did not request a copy of the soils report prior to bid submittal (tr. 1/139).

8. Section L ("Instructions, Conditions, and Notices to Offerors or Quoters") of the solicitation contained clause L-5 as follows:

BID FORMULATION

It is the contractor's responsibility to review the plans and specifications:

In order to enable the contractor to formulate a bid, available information regarding local conditions is given herein. Information based on hearsay should not be considered bid information. Information regarding subsurface conditions is intended to assist the contractor in preparing the bid. Such information is given as being the best factual information available. Indian Health Service does not assume responsibility for any conclusions that the contractor might draw therefrom.

(Emphasis inserted)

Neither the solicitation nor the awarded contract contain any information concerning subsurface conditions or "local conditions." So far as the record indicates, there were no inquiries from prospective bidders concerning such conditions or the absence of such information from the solicitation (tr. 2/72).

9. Excavation for the footings of the building addition began on 29 August 1995 and was completed on 30 August 1995. Pursuant to \P 1.3.C of § 02200, Dailco was required to notify the Government when the excavation for the footings had reached required subgrade elevations, whereupon the Government would "make an inspection of conditions." Said notice was given to Mr. Sorensen who then requested Dailco to conduct tests to verify that the subgrade had been compacted as required by the specification and to verify that the subsoils had adequate loadbearing capability to support the building (tr. 1/45).

10. ¶ 3.9.E.1. of § 02200 required that soil beneath various installations be compacted to not less than stated percentages of maximum density in accordance with ASTM D 698. In the case of structures, which included footings, Dailco was required to "compact top 12 inches of subgrade and each layer of backfull or fill material at 95 percent maximum density." All references herein to percentage compaction should be understood as referring to percentage of maximum soil density.

11. Pursuant to ASTM D 698, maximum soil density is determined by placing samples of soil in a mold, wetting the soil with differing amounts of moisture, applying consistent compactive effort by pounding the soil with a hammer in a standard repetitious manner and measuring the dry density of the soil. The test procedure is referred to as a "proctor" (tr. 1/139). The moisture content (expressed as a percentage) is plotted on a curve against dry density. The curve is referred to either as a "moisture-density curve" (R4, tab 21) or as a "proctor curve" (tr. 1/135). The moisture content (structure content (tr. 1/136). The highest dry density reading is referred to as the optimum moisture content (tr. 1/136). The highest dry density reading is referred to as the "maximum dry density" or "maximum soil density." These values are unique to the soil which has been tested (tr.

2/248). In the case of the soil samples addressed in the C-N report, the moisture-density curve showed maximum dry density as 135.8 pounds per cubic foot (PCF) and optimum moisture content as eight percent (R4, tab 21).

12. ¶ 3.12 ("Field Quality Control") of § 02200 requires the performance of field density tests and lists three alternate test methods. The first two, which are not described in the record, are ASTM 1556 (sand cone method) and ASTM 2167 (rubber balloon method). Mr. Zenk used the third method, namely, the nuclear method, in accordance with ASTM D 2922. Under that method, a rod is driven into the soil to create a hole. A gauge is then lowered into the hole followed by a radioactive source. Radiation from the source goes through the soil, is picked up by the gauge which calculates and reads out the in-place density of the soil. (Tr. 1/155-56) This is compared to maximum soil density in order to determine the percentage compaction attained.

13. Mr. Zenk began field density testing in the subgrade of the footing trenches on 5 September 1995. The required 95 percent compaction was attained at two of the six locations at which testing was conducted. Further testing was conducted by Mr. Zenk on 7 September 1995. The required 95 percent compaction was found at five of the 11 locations at which tests were made. During those two days of testing, Mr. Zenk encountered a considerable amount of rock in the subsoil, larger than three inches in size, which made it difficult to obtain reliable density readings. Pieces of rock at this locality which were larger than three inches were referred to as "cobbles" (tr. 1/49). Sometimes, the cobbles would prevent the rod from being driven to full required depth. On other occasions, a large cobble found beneath the gauge would give an artificially high density reading. (R4, tab 12 at 5; tr. 1/156) At other locations, where rock was absent, lower density readings were obtained (tr. 1/157). As the result of these conditions, Mr. Zenk reported that the density readings "varied widely due to material and rock percentage" (R4, tab 8).

14. These conditions also prevented Mr. Zenk from running a proctor on the soils in the trenches. ASTM D 698 requires pieces of rock larger than 3/4 inch be removed from the sample (referred to as making a "rock correction") before conducting the proctor. ASTM D 698 recommends against conducting a proctor on a sample composed of more than 30 percent rock (tr. 1/138-39). Mr. Zenk attempted to run a proctor on soil excavated from the trench which had been stockpiled. The sample contained 31 percent by weight, of rock exceeding 3/4-inch and, thus, could not be used for a proctor (tr. 1/167-68). As a result, Mr. Zenk was unable to make his own findings of maximum dry density and optimum moisture content. Instead, he used the 135.8 PCF and eight percent amounts contained in the C-N report (R4, tabs 8, 21).

15. During excavation of the footing trenches, Dailco had encountered a considerable quantity of cobbles interspersed with sandy gravel. Some of the cobbles were as large as eight inches in size (tr. 1/158). The excavation was performed by

machine until the indicated subgrade was reached. Dailco's project manager, Mr. Dan Barrus, testified that he was not surprised at encountering large cobbles in the course of the excavation nor did that condition pose any unusual difficulty. Dailco was able to remove that rock with "standard earth excavating equipment" (tr. 1/104).

16. Gravel and cobble are the prevalent soil conditions in the Fort Washakie area (tr. 2/299-300). Mr. Jon Howell, a geotechnical engineer, who had performed work in that area, described the prevalent soil conditions as "pretty cobbly and a lot of . . . sand cobbles" (tr. 2/238). He could not "remember a single case where we did not encounter those types of cobbly conditions" (tr.2/284). The record contains photographs of surface conditions within a mile of the work site under this contract (exs. G-1, -2, -4). These show a profusion of cobbles on the ground, some as large as 12 inches. Mr. Howell testified that this was typical of surface soil conditions at Fort Washakie. (Tr. 2/239)

17. The C-N report was based on the results of two soil borings at the site. The gradation test results (also referred to as the "sieve analysis") in the report indicate that most of the sample material brought up from the borings consisted of particles less than $1\frac{1}{2}$ inches in size (tr. 1/196). Approximately two percent of the material was $1\frac{1}{2}$ inches to three inches in size (tr. 2/233). This is in contrast with the results of Mr. Zenk's testing, performed on stockpiled material excavated from the footing trenches, which showed 18 percent more rock exceeding $1\frac{1}{2}$ inches in size than indicated in the sieve analyses in the C-N report (R4, tab 13).

18. The smaller size of the particles in the samples obtained by C-N was due, however, to the sizes of the augers used in the borings. The largest particles which could be recovered with the 7½-inch and 4-inch (both outer diameter) augers used by C-N were slightly larger than $1\frac{1}{2}$ inches (tr. 2/229). The largest particles brought up by the 1-3/8 inch (outer diameter) split barrel sampler used by C-N, was approximately the same size (tr. 2/230).

19. The equipment used by C-N in arriving at the above results was appropriate for the purpose for which the investigation was conducted, namely, the calculation of bearing capacity of the soil (tr. 2/291). The existence of cobble material larger than that set forth in the report was immaterial to the determination of bearing capacity (tr. 2/291, 292). Furthermore, the results at the locations of the two borings made by C-N were not necessarily indicative of subsoil conditions elsewhere on the site. Typically, those conditions would vary throughout the site. (Tr. 2/234) Indeed, in a section titled "Limitations," the report states that "[v]ariations in water levels and soil type may occur across the site, and the nature and extent of subsoil variations may not become evident until construction" (R4, tab 21 at 3). Nothing in the C-N report precluded the possibility of finding particles larger than 1½ inches in the subsoil of the site. 20. On 7 September 1995, citing the difficulty of obtaining reliable and representative density test results in the subsoil, Messrs. Barrus and Zenk proposed to Mr. Sorensen that the focus of testing be changed to determining whether the soil possessed adequate bearing capacity for the building. They proposed a "wheel-rolling" (also referred to as "proof-rolling") test of the trenches for that purpose (R4, tab 13; tr. 1/52, 77). Mr. Sorensen rejected that suggestion at that time. He believed that compaction results could be improved by addition of water to the soil.

21. ¶ 3.9.C of § 02200 required Dailco to "moisten or aerate each layer to provide optimum moisture content" prior to compaction. In addition, the following was required by § 02200, ¶ 3.9.A.1:

When existing ground surface has a density less than that specified under "Compaction" for particular area classification, break up ground surface, pulverize, *moisturecondition to optimum moisture content*, and compact to required depth and percentage of maximum density.

(Emphasis inserted)

22. Generally, the nearer soil moisture comes to optimum moisture content, the easier it is to compact the soil with the same compactive effort (tr. 1/220, 2/247). This occurs because water in the soil acts as a lubricant, facilitating the movement of particles in response to compactive effort (tr. 2/99).

23. Testing performed by Mr. Zenk on 5 September 1995 indicated soil moisture in the range of 2.2 - 5.7 percent, compared to 8 percent optimum moisture content which Mr. Zenk had adopted from the C-N report (R4, tabs 8, 21). Dailco had applied water to the soil in the trenches on 5, 6, and 7 September 1995 in an effort to increase moisture content prior to further compaction testing. The result of the watering operations on those dates was moisture content in the range of 2.1 - 3.9 percent, with 95 percent compaction for the entire site not yet attained (R4, tab 8; tr. 1/111-12). Dailco had added water with a garden hose. Mr. Sorensen believed, however, that a greater volume of water was needed and suggested that the trenches be flooded. To that end, he helped arrange for Dailco's use of a fire hydrant and hose (tr. 2/93-94).

24. Mr. Barrus responded to Mr. Sorensen's suggestion by saying that he would "give it a try." In its post-hearing brief, however, appellant contends that the flooding of the trenches was ordered by Mr. Sorensen (app. br. at 36). That contention is contrary to the evidence, specifically, the testimony of Mr. Barrus that the decision to flood the trenches was "a mutual consensus of . . . what we would do" (tr. 1/83).

25. Mr. Barrus was concerned, however, that excess water would destroy the trenches (tr. 2/95). Mr. Sorensen did not believe that there was a considerable risk of such an occurrence because the soil was very gravelly and sandy and, as such, very porous and free-draining. As a result , the water would not collect but, instead, run directly through the soil (tr. 2/95). The free-draining character of the soil, however, made it necessary to apply large quantities of water in order to obtain sufficient moisture retention (tr. 2/100). The footing trenches were flooded on 7 and 10 September 1995 with no resulting damage (ex. A-7 at 2; tr. 2/115). Indeed, the addition of water caused a significant rise in moisture content, with four of the seven readings near the 8 percent optimum moisture content (R4, tab 8). In addition, the percentage of testing showing attainment of the 95 percent compaction requirement grew from 45 percent on 7 September 1995 (finding 13) to 70 percent on 11 September 1995 (R4, tab 10).

26. Dailco used a sheep's foot roller for compaction of soils in the trenches. This was not appropriate for the type of soils at this site. A sheep's foot roller has two feet protruding from the cylindrical drum which penetrate down into the lower levels of the subsoil, serving to compact the soils from the bottom up. However, in the sandy, gravelly GP-GM subgrade present here, the feet tended to stir up and disturb the soil, counteracting the compactive effect obtained from the drum, thereby setting back the efforts to obtain the required 95 percent compaction. A vibratory smooth drum roller was the proper equipment for compaction at this site. (Tr. 2/241-46)

27. On 11 September 1995, Dailco and Mr. Zenk renewed the recommendation for use of the wheel-rolling test (R4, tab 9). That test consists of filling the bucket of a front-end loader with sand or gravel and running the wheels on one side of the machine inside the trench, along its length. Afterward, the surface of the trench is examined for deformations in the soil caused by the weight of the machine which would denote soft spots in the subsoil (tr. 1/88). At any such locations, the soil would be overexcavated and replaced by fresh fill which would be compacted to the required level.

28. Mr. Sorensen, however, had not considered the wheel-rolling test to be a proper means of testing the soil in the bottom of the trenches for compaction or density (tr. 2/131). That was also the opinion of Mr. Howell. He testified that the wheel-rolling test serves only to "get some rough idea of what the condition of the subgrade is prior to placing fill on it" (tr. 2/286-87). Inasmuch as wheel-rolling does not produce specific data as to the density of the soil, it is not a substitute for compaction or field density testing (tr. 2/259, 260). For these reasons, wheel-rolling was not a means of measuring bearing capacity nor was it appropriate for use with regard to soils beneath a foundation (tr. 2/286, 287).

29. On 11 September 1995, however, Mr. Sorensen agreed to the use of the wheel-rolling test as the means of determining whether the subgrade in the trenches was ready and sufficient for the foundation footings. At the hearing, he cited two factors

which had caused his change of mind regarding the test. The first was the improvement in the rate of successful compaction testing, from 45 percent of the tests passing on 7 September 1995 to 70 percent passing on 11 September 1995 (finding 25). Second, he had been advised by both Mr. Zenk and an engineer employed by C-N's successor geotechnical services firm that wheel-rolling was "not a bad idea." (Tr. 2/136). In those circumstances, Mr. Sorensen "felt . . .that I needed to be reasonable" rather than "just trying to beat them to death with a specification" (tr. 2/137).

30. The wheel-rolling test was performed on 11 September 1995, disclosing deformation in two locations in the bottom of the trenches. The soil at those locations was overexcavated, replaced with native soil stockpiled from the excavation, and compacted with a vibratory drum roller ("hand wacker") (R4, tab 10; tr. 2/149). Pouring of concrete, in the trenches, for the footings began on the next day, 12 September 1995 (R4, tab 12; tr. 2/17).

31. Mr. Sorensen's acquiescence to the use of the wheel-rolling test to determine the sufficiency of the trench subgrade for the footings was conditioned on a written certification from Mr. Zenk that the subgrade had adequate bearing capacity for the building addition (tr. 1/90). In a letter to Dailco, dated 19 September 1995, identified as a supplement to a previous report dated 11 September 1995, Mr. Zenk described the equipment and mode of performance of the wheel-rolling test and concluded that "[t]his test indicated that the subgrade was capable of handling the design 4,000 psf with little or no deformation or settlement under design load" (R4, tab 13 at 4). This correlated with the recommendation in the C-N report that "[b]ased on the subsurface conditions encountered in the exploratory borings and the associated laboratory testing, . . . an allowable soil bearing pressure of 4,000 psf [be used] in the design of spread footings" (R4, tab 21 at 3).

32. On 11 December 1995, Dailco submitted a claim, in the amount of \$6,254.14 for "extra costs due to compaction problems" (R4, tab 15). At the hearing, Mr. Thomas Dailey, the president of Dailco, described the claimed costs as those "associated with the soil compaction operations for [the] spread footings that were conducted during" the period 5 September -12 September 1995 (tr. 1/395). On 25 June 1996, the contracting officer issued a written decision, pursuant to the Contract Disputes Act (CDA), 41 U.S.C. §§ 601-613, as amended, denying the claim in its entirety. This timely appeal followed.

DECISION

Dailco presents several alternate theories for recovery on its claim. The first is that the large pieces of rock encountered in the subsoil of the trenches constituted a Type 1 condition under the DIFFERING SITE CONDITIONS clause, *i.e.*, "subsurface or latent physical conditions at the site which differ materially from those indicated in the contract." The contract provision relied upon by Dailco as indicating the subsoil

conditions to be found at the site is \P 3.12 of § 02200 of the specifications which sets forth three alternate means for conducting field density testing (finding 12). Dailco selected the nuclear method (finding 12) and now contends that the listing of that method was an implied representation that the same could be successfully employed at the site. On that basis, it is claimed that the presence of large rock pieces, which made it difficult to obtain accurate density readings with the nuclear method, was a Type 1 differing site condition. (App. br. at 33, 34)

Dailco's position is not reasonable. The listing of three alternate methods for field density testing coupled with the entire absence, from the solicitation, of information concerning subsurface conditions (finding 8) signified that Dailco, as successful bidder, would be responsible for investigating subsoil conditions, choosing an appropriate field density testing method, and bearing the risk of that choice. *Raimonde Drilling Corp.*, ENG BCA No. 5107, 86-3 BCA ¶ 19,282 at 97,489

The large rock pieces in the subsoil also do not qualify as a Type 2 differing site condition. In the SITE INVESTIGATION AND CONDITIONS AFFECTING THE WORK (APR 1984) clause of the contract, Dailco acknowledged that it had "investigated and satisfied itself as to the general and local conditions which [could] affect the work or its cost." That included a "review [of] the conditions of the work area to determine the degree of difficulty caused by local conditions." City Electric, Inc., ASBCA No. 24617, 83-2 BCA ¶ 16,714 at 83,144. Such a review would have revealed many cobbles on surfaces in the vicinity of the site that were similar in size to those later encountered in the subsoil (findings 15, 16). It would then have been reasonable for Dailco to inquire from contractors and others familiar with the area as to whether that condition was ordinarily replicated underground. See S.T.G. Construction Co., Inc. v. United States, 157 Ct. Cl. 409, 416 (1962); CCI Contractors, Inc., AGBCA No. 84-314-1, 91-3 BCA ¶ 24,225 at 121,168, aff'd, CCI Contractors, Inc. v. Madigan, 979 F.2d 216 (Fed. Cir. 1992) (table). Such inquiries would have prompted responses that the cobbly material was also prevalent in the subsoil (finding 16). Knowledge of that condition was not confined to persons with geological expertise and experience. Dailco's project manager, Mr. Barrus, testified that he was not surprised at encountering large pieces of rock in the course of the excavation (finding 15). The knowledge of these conditions, which was imputed to Dailco as of the time of its bid, means that they did not qualify as "unknown physical conditions" which is a prerequisite for recovery under Type 2 of the Differing Site Conditions clause.

Another basis for recovery presented by Dailco is that compliance with the 95 percent compaction requirement was impossible due to the difficulty of obtaining accurate soil density measurements (app. br. 33, 34). To be excused from a requirement on the ground of impossibility of performance, a contractor must show that compliance "was so difficult, costly and time-consuming as to be practically or commercially impossible to achieve in the time set by the contract." *Tombigbee Constructors v. United*

States, 420 F.2d 1037, 1049 (Ct. Cl. 1970) It must also be shown that the impossibility of performance was the cause of failure to meet the requirement. *Steele Contractors, Inc.*, ENG BCA No. 6043, 95-2 BCA ¶ 27,653 at 137,862, *aff'd*, *Steele Contractors v. United States*, LEXIS 19103 (E.D. La. Dec. 23, 1996); *aff'd*, *Steele Contractors v. U.S. Army Corps of Engineers*, 127 F.3d 34 (5th Cir. 1997) (Mem.).

Dailco had great difficulty in measuring soil density. However, even if that difficulty was substantial enough to make the measurement impossible of performance, it did not carry over into the compaction requirement itself. As of 7 September 1995, which was only the second day of density testing (finding 13), Dailco had attained a 45 percent rate of success in meeting the 95 percent compaction requirement. As of 11 September 1995, the success rate had grown to 70 percent of the locations tested (finding 25). These facts, alone, negate the assertion that the compaction requirement was impossible of performance.

Moreover, Dailco's compaction effort would have been more effective had it utilized compaction machinery which was appropriate for the type of soils at the site (finding 26), and the compaction effort should have been accompanied by implementation of the specification requirement for moisture-conditioning of the subsoil to bring it up to optimum moisture content (finding 21). The nearer soil moisture comes to optimum moisture content, the easier it becomes to compact the soil with the same effort (finding 22). Prior to 7 September 1995, soil moisture levels were well below the optimum moisture content of 8 percent adopted by Mr. Zenk (finding 23). As of 11 September 1995, after intensive watering of the trenches at Mr. Sorensen's suggestion, Dailco attained 95 percent compaction in 70 percent of the locations tested (finding 25).

The final ground for recovery urged by Dailco is that the Government possessed superior knowledge as to subsoil conditions, in the form of the C-N report, and improperly failed to furnish that information to potential bidders as part of the solicitation. In order to establish a breach of contract for the Government's nondisclosure of superior knowledge, Dailco was required to show that:

(1) [It undertook] to perform without vital knowledge of a fact that affects performance costs or direction, (2) the government was aware [Dailco] had no knowledge of and had no reason to obtain such information, (3) any contract specification supplied misled [Dailco], or did not put it on notice to inquire, and (4) the government failed to provide the relevant information.

Lopez v. A.C.&S., Inc., 858 F.2d 712, 717 (Fed. Cir. 1988), cert. den'd sub nom. Eagle-Picher Industries, Inc. v. United States, 491 U.S. 904 (1989). Dailco failed to make this showing. Among other things, the information in the C-N report was not vital to either Dailco's performance costs or to the direction of the work. The added effort and cost expended by Dailco resulted from the presence, in the subsoil, of pieces of rock up to 8 to 10 inches in size. The C-N report would not have informed Dailco of the presence of rock of that size. Because of the size of the augers used by C-N, the largest rock pieces brought up from exploratory borings were approximately 1½ inches in size (findings 17,18). Nothing in the C-N report precluded the possibility of finding particles larger than 1½ inches in the subsoil of the site (finding 19).

CONCLUSION

For the reasons set forth above, the appeal is denied in all respects.

Dated: 27 July 2000

PENIEL MOED Administrative Judge Armed Services Board of Contract Appeals

(Signatures continued)

I concur

I concur

MARK N. STEMPLER Administrative Judge Acting Chairman Armed Services Board of Contract Appeals EUNICE W. THOMAS Administrative Judge Vice Chairman Armed Services Board of Contract Appeals I certify that the foregoing is a true copy of the Opinion and Decision of the Armed Services Board of Contract Appeals in ASBCA No. 50191, Appeal of Dailco Corporation, Inc., rendered in conformance with the Board's Charter.

Dated:

EDWARD S. ADAMKEWICZ Recorder, Armed Services Board of Contract Appeals