

**ISLE OF PALMS SPECIAL DISTRICT MAINTENANCE DREDGING PROJECT**  
**CHANGE ORDER NO. 2**

The Contract Agreement for Dredging (“Contract”), effective February 10, 2021, between Isle of Palms Special District (“District”) and Brance Diversified, Inc. (“Contractor”) is changed as follows:

1. As of the date of execution of this Change Order No. 2, the district maintains the position that the dredging, as described and specified in the Contract is not complete in that target depths and the target dredge profile described in the “Drawings” as that term is defined in Change Order No. 1 to the Contract has not been achieved by Contractor.

2. In addition, Section 3.1 of the Contract requires that the Work specified therein must be substantially completed within (300) three hundred days of commencement of the Work. Through Change Order No. 1, thirty additional days were added to the completion date. With that 30-day extension, the district maintains the position that the Work should have been substantially completed on March 6, 2022.

3. The Contractor will remove a minimum additional Thirty-Six Thousand (36,000) cubic yards of dredge material from the project area using the existing agreed upon dredge template and achieving a minimum depth of -5’ MLW in all baselines, to be done at the unit price provided in Contractors Alternative 2 bid sheet.

4. In addition to the quantities specified in Paragraph 3, above, if allowable under the District’s existing permits for the project, the District will stake additional area for removal of quantities of additional dredge material (“Additional Material”) to be removed in quantities identified by the District prior to commencement of removal of such Additional Material. For removal and disposal of such Additional Material, the District will pay Contractor \$40/cubic yard. No Additional Material will be removed before Contractor receives a written order to do such dredging from the District.

5. The prices set forth in the Alternative 2 bid sheet do not presently permit specific compensation related to escalations of cost of fuel incurred by Contractor during the pendency of the Work to be done by Contractor. Nevertheless, the District recognizes that during the period following the effective date of the Contract, fuel prices escalated dramatically, although they have leveled off from the highest increase experienced since the effective date of the Contract. In the interest of prompt completion of the Work provided for in the Contract as modified through this Change Order, the District agrees to pay Contractor amount intended to cover additional fuel costs incurred by Contractor from the effective date of the Contract through and including completion of the Contract in an amount not to exceed Two Hundred Thousand Dollars (\$200,000). Contractor will provide documentation of such increased fuel costs from the effective date of the Contract through completion of all Work provided under the Contract or any amendment thereto, for review by the District Board of Supervisors. Thereafter, the District will pay Contractor for the additional fuel costs, not to exceed \$200,000, in progress billing No. 9, for fuel escalation cost incurred prior to this change order, and the remainder at substantial completion of the project.

6. Contractor will complete the Work described in the Contact, as amended through this Change Order, on or before March 1, 2023.

7. The District in consideration of the foregoing waives imposition of any liquidated damages for Work not completed by March 6, 2022. The amount specified for liquidated damages which may be imposed for failure to complete the Work by March 1, 2023 will be reduced from \$5,000 per day to \$2,500 per day.

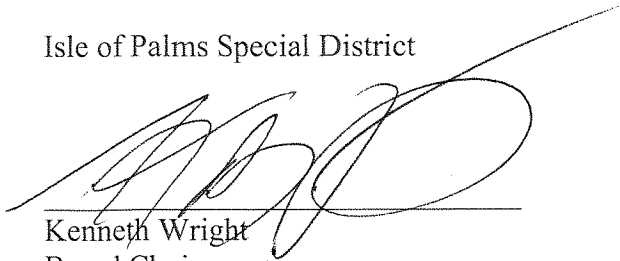
8. All other provisions of the Contract remain unchanged by this Change Order No. 2, including but not limited to Contractor's obligation to offer additional residential dredging as described in Section 2.12, Technical specifications, which is part of the Contract Documents at the rate stated in the Alternative 2 bid sheet, which obligation Contractor acknowledges by signing this Change Order.

9. Baselines will be surveyed upon completion and accepted by post dredge surveys in groups of two or more.

10. Unless specifically changed in this document all other obligations remain the same.

**Not Valid Until Signed by the District and Contractor**

Isle of Palms Special District



Kenneth Wright  
Board Chair

Date: 10/24/22

Brance Diversified, Inc.



Lance Young  
President

Date: 10/12/22