

Section 1111. Incentive/Disincentive for Early Completion

1111.01 GENERAL.

- A. I/D provisions for early completion of specific highway construction projects with critical closure activities may be assigned by the Department. Early completion may be specified for an entire project or for designated portions of a project.
- B. Projects on which I/D provisions will apply have the I/D daily rates, the critical closure activity, the number of closure days allowed, the total working days for the project, and the maximum incentive payment shown on the proposal form.

1111.02 DEFINITIONS.

A. Critical Closure Activity.

Critical closure activities on highway construction projects are those activities specified in the contract documents where traffic movements are adversely affected causing undue delay and operating costs.

B. Closure Day.

A closure day is a calendar day during the critical closure activity. A closure day will be counted for each calendar day or portion of a day during the critical closure activity. The number of closure days given will assume some delay caused by weather. The Contractor may work any days and hours within the critical closure activity.

C. I/D Daily Rate.

The I/D Daily Rate is the incentive or disincentive dollar amount per day assigned by the Contracting Authority, that will be applied to the contract for incentive payment or disincentive assessment.

1111.03 CONSIDERATION FOR EXTRA WORK OR DELAYS DURING THE CRITICAL CLOSURE ACTIVITY.

- A. The duration of a critical closure activity will be in closure days. Closure day credits will not be given within the assigned critical closure activity.
- B. Additional closure days may be added when approved by the Engineer for extra work, overruns of contract items, or extraordinary circumstances.
- C. Approved extra work or overruns of contract items that will delay the Contractor during the critical closure activity must be documented and included in the critical path of the project on a revised critical path diagram which is subject to the approval of the Engineer. An additional closure day may be added for each additional closure day caused by the approved extra work or overruns of contract items as shown on the revised critical path diagram and approved by the Engineer.
- D. Non-weather related extraordinary circumstances that delay the Contractor during the critical closure activity must be documented by the Contractor and a written request for additional closure days must be submitted to the Engineer within 10 calendar days of the beginning of the delay. The Engineer will approve or deny all requests for additional closure days resulting from non-weather related extraordinary circumstances. Non-weather related extraordinary circumstances shall be limited to the following:
 - 1. **Strikes.**
Strikes which are not directed against the Contractor.
 - 2. **Legal Stoppages.**
Legal Stoppages will be allowed if they result from legal action against the Contracting Authority or against the Contractor if not based on a specification violation.
 - 3. **Late Delivery of Material.**
Procurement of material for a project is the sole responsibility of the Contractor. Late delivery will be considered an extraordinary circumstance only when the Contractor can show that

orders were placed with a reliable supplier in sufficient time for materials to be delivered when needed and only when there is:

- a. A nationwide shortage; or
- b. An industry wide strike; or
- c. Transportation strike which delays the delivery of material; or
- d. Delays due to a change in material commitments when caused by a Federal emergency or order.

4. Natural Disaster.

A suspension order may be issued on any project in a declared disaster area, if the disaster causes conditions that do not allow productive work.

- E. Adverse weather including rain, snow, wind, flood, extreme heat, and the results thereof, such as inaccessibility or non-workability of materials, is only considered as extraordinary circumstance if the Contractor is working or ready to work on the contract and the adverse weather conditions do not allow productive work on the critical path. Adverse weather that delays the Contractor during the critical closure activity must be documented by the Contractor and a written request for additional closure days must be submitted to the Engineer within 10 calendar days of the beginning of the delay. Some delays for weather have been included in the number of closure days allowed. Therefore, additional closure days for adverse weather will not be allowed for the first 5 consecutive closure days of each delay.

1111.04 WORK OUTSIDE THE CRITICAL CLOSURE ACTIVITY.

- A. The contract period may specify a number of working days. These days are provided to complete work prior to and/or following the critical closure activity. Working days will not be charged on any calendar day that a closure day is charged.
- B. The liquidated damage rate shown on the proposal will be assessed for each working day used in excess of the number of working days specified.

1111.05 I/D PAYMENT OR ASSESSMENT.

A. Incentive Payment.

For the number of closure days remaining after completion of the critical closure activity, the Contractor will be paid the I/D daily rate as an incentive payment. Maximum incentive payment will not exceed that amount shown on the proposal. Incentive payments will be made in accordance with [Article 1109.09](#).

B. Disincentive Assessment.

For the number of closure days used to complete the work required in a critical closure activity in excess of the specified closure days, the Contractor will be assessed the I/D daily rate. There will be no maximum amount for the disincentive assessment.