GUIDELINES: THIS SPECIAL PROVISION COPIED NOTE IS WRITTEN AGAINST THE 2016 ROAD AND BRIDGE SPECIFICATIONS. THIS PROVISION SHOULD BE USED WHEN A SPECIFIC PORTION OF A PROJECT MUST BE COMPLETED ON OR BEFORE A GIVEN DATE (I.E., PHASED CONSTRUCTION).

**INTERIM COMPLETION INCENTIVE/DISINCENTIVE**

The following terms are defined for this specification only:

* **Interim Completion** – is defined as completing all work as detailed herein to the Department's satisfaction. The following work must be completed for Interim Completion: \*\***Define project segment or portion of work to be completed\*\***
* **Interim Completion Date** is the date on or before which all work required for Interim Completion must be completed to the Department’s satisfaction such that the Contractor receives an incentive. Otherwise, a disincentive is assessed each day thereafter the Interim Completion requirements are not met.
* **Maximum Incentive Date** is the latest date the specified portion of the project must be completed such that the Contractor receives the maximum possible incentive, if provided herein.
* **Total Float** is the number of working days that an activity can be delayed before it delays a related contract interim milestone or the project, as applicable.

The Interim Completion Date is **\*\* Month dd, yyyy \*\***. The Department will pay an incentive of **$Provide amount** per Calendar Day the project meets the Interim Completion requirements before the Interim Completion Date. The incentive is capped at **$Provide Amount**, if the Completion requirements are met on or before the Maximum Incentive Date. Delays resulting from weather, the Contractor’s actions, or actions of others within the Contractors’ control or influence will not be considered grounds to extend the Maximum Incentive Date or Interim Completion Date, as applicable. The incentive will be paid as part of the next payment due to the Contractor by the Department.

If the Contractor does not achieve Interim Completion on or before the Interim Completion Date, the Department will assess a disincentive in the amount of **$Provide amount** for each Calendar Day after the Interim Completion Date, including Sundays and Holidays, that the Contractor does not meet the requirements of Interim Completion as defined herein.

The disincentive will be assessed, not as a penalty, but as agreed compensation for damages resulting from the Contractor's delay in completion of construction operations on the Department and road users. The disincentive amount is calculated based on Department related traffic control and maintenance costs, detour costs, and daily road user costs, as applicable.

The Contractor waives any defense as to the validity of any disincentives stated in the Contract, the Specifications, or this Special Provision, and assessed by the Department against the Contractor on the grounds that such disincentives are void as penalties or are not reasonably related to actual damages.

Any liquidated damages assessed in accordance with Section 108.06 of the Specifications will be in addition to the disincentive specified herein.

The Contractor shall declare in writing, at the time of the Baseline Progress Schedule submission, its intended date for Interim Completion. The Contractor shall designate the Critical Path activities driving the Interim Completion Date, as reflected on the Baseline Progress Schedule. The Contractor shall also identify in the Baseline Progress Schedule, each applicable milestone activity, as defined herein, which includes, but is not limited to, the Maximum Incentive Date, the Interim Completion Date, and the date the Contractor expects to achieve Interim Completion.

If the Contractor determines it may have experienced an excusable delay, it may seek a time extension in accordance with Section 108.04 by submitting a request which includes a Schedule Impact Analysis (SIA) conforming to Section 108.03. The Engineer will evaluate the Contractor’s request and SIA based on the Critical Path and available Total Float. Total Float shall be calculated relative to the later of the Maximum Incentive Date or the Contractor’s proposed Interim Completion Date, reflected on the Baseline Progress Schedule.

4-27-15 (SPCN)