GUIDELINES: THIS SPECIAL PROVISION COPIED NOTE IS WRITTEN AGAINST THE 2016 ROAD AND BRIDGE SPECIFICATIONS. DO NOT USE WHEN PUNCH LIST, SIGNAL BURN-IN, FINAL SEEDING OR LANDSCAPING ARE THE ONLY PENDING WORK ITEMS; USE INTERIM COMPLETION INSTEAD. **Substantial completion should only be employed when substantive & beneficial use is available to the public 1) new facility is opened to traffic; 2) closed facility is reopened; 3) long term lane closure** (frequently with barrier service) **is removed from roadway; or 4) increased capacity is provided to traffic** (additional lanes are opened to traffic on a widened facility). Work not included May include surface asphalt & permanent pavement marking if beneficial use can be provided on intermediate surface with temporary marking.

**SUBSTANTIAL COMPLETION INCENTIVE/DISINCENTIVE**

The following terms are defined for this specification only:

* **Substantial Completion** is defined as completing all work necessary to sufficiently complete the project to a point such that it can be legally, safely, and effectively used by the public or the Department for the purposes intended without delays, disruption, further lane closures, or other impediments and only clean up and Work of a minor nature, as agreed to by the Engineer, remains to be finished.
* **Substantial Completion Date** is the date on or before which all work required for Substantial 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 Substantial Completion requirements are not met.
* **Maximum Incentive Date** is the latest date the project or specified portion thereof 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 Substantial Completion Date for this project is **\*\*Month dd, yyyy\*\***. The Department will pay an incentive of **$Provide amount** per Calendar Day the project meets the Substantial Completion requirements before the Substantial Completion Date. The incentive is capped at **$Provide Amount,** if the Substantial 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 Substantial Completion Date, as applicable. The incentive will be paid as part of the final payment due to the Contractor.

If the Contractor does not achieve Substantial Completion on or beforethe Substantial Completion Date, the Department will assess a disincentive in the amount of **$Provide amount** for each Calendar Day after the Substantial Completion Date that the project is not substantially complete, including Sundays and Holidays.

The disincentive will be assessed, not as a penalty, but as agreed compensation for damages resulting from the Contractor's delay in substantial 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 completion of the Work. The Contractor shall designate the Critical Path activities driving the Substantial 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 Substantial Completion Date, and the date the Contractor expects to achieve Substantial 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 completion date for Substantial Completion, as applicable and as reflected on the Baseline Progress Schedule.

4-27-15 (SPCN)