

ITEM 698.9301--25 - INCENTIVE PAYMENTS/DISINCENTIVE ASSESSMENTS/DAILY BASIS

1. DESCRIPTION:

- 1.01 There is no physical work to be accomplished under this item. This item will enable the Authority to make incentive payments to (or disincentive assessments against) the Contractor for early substantial completion (or late completion) of work included in the special note titled "Incentive/Disincentive Clause" based on the time of times specified in that special note.

2. MATERIALS:

- 2.01 Not applicable.

3. CONSTRUCTION DETAILS:

- 3.01 There are no Construction Details for this item.

4. METHOD OF MEASUREMENT:

- 4.01 The method of measurement shall be fixed lump sum. Actual payments-incentive (or deductions-disincentive) made under this item shall be as stated below.

5. BASIS OF PAYMENT:

- 5.01 The amount set forth in the Proposal is a fixed price for all Bidders. Any bid, other than the specified amount shown in the itemized Proposal will be adjusted by the Authority to the fixed price.
- 5.02 The Contractor shall be entitled to payment for this item as follows: To determine the actual fixed lump sum payment-incentive or fixed lump sum deduction-disincentive under this pay item, the number of work shifts actually required to accomplish the work included in the Incentive/Disincentive Clause will be compared to the number of work shifts specified for the same work in that special note. Should the identified work take longer than the number of work shifts specified (as may be adjusted under the contract terms), the number of work shifts in excess thereof will be multiplied by the work shifts cost, and that product (fixed lump sum) will be disincentive. Should the work shifts required to substantially complete the identified work be fewer than the number specified (as may be adjusted under the contract terms), the difference will be multiplied by the work shift cost, and the product (fixed lump sum) will be paid to the Contractor as incentive.
- 5.03 Incentive payments shall be made for each individual I/D work period upon completion of the work included in the particular I/D period. Disincentive assessments shall be made separately for each I/D work period upon reaching the completion date established for each I/D work period.
- 5.04 Deductions-disincentive made under the terms of this item shall be in addition to any deductions made as Liquidated Damages (only applied to non-I/D work) as indicated in the special note entitled "Incentive/Disincentive Clause". Any payments made under this item shall be regarded by the parties to include the cost of all overhead, profit, labor, equipment, supplies, materials, scheduling and management necessary to accomplish the work within the actual number of work shifts taken. The work of the other items in the Contract will be measured and paid for separately under their appropriate items of work.