



U.S. Department
of Transportation

Memorandum

Federal Highway
Administration

Subject: **ACTION:** No Excuse Incentive Provision
Special Experimental Project No. 14 (SEP-14)

Date: October 1, 2008

Signed by:

From: Dwight A. Horne
Director, Office of Program Administration

Reply to
Attn of: HIPA-30

To: Peter W. Osborn
Division Administrator
Providence, RI

This is in reference to Mr. Anthony Palumbo's September 30, 2008, email that forwarded a SEP-14 work plan on behalf of the Rhode Island Department of Transportation. The State proposes to use a no excuse incentive provision in conjunction with an incentive/disincentive contract clause on the Sakonnet River Bridge construction contract.

The no excuse incentive clause provides a \$2,000,000.00 incentive if both the May 11, 2012, interim completion and the May 15, 2013, required completion dates are met. The clause also provides for a waiver of contractor claims. The State's plan to provide a single evaluation of this technique at the end of the contract is satisfactory.

You may consider the work plan as approved under our SEP-14 Innovative Contracting program. Should you have any questions, please contact Gerald Yakowenko at (202) 366-1562.

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