



Ohio Administrative Code Rule 5501:2-7-01 Definitions.

Effective: March 29, 2018

(A) Incentive/disincentive clause - is a contract provision which compensates the contractor a fixed amount of money for each day or fraction thereof identified critical work is completed ahead of schedule and assesses a deduction for each day or fraction thereof the contractor overruns the time allotted for the completion of identified critical work.

(B) Contract time - is the total time established for the completion of all contract work.

(C) Incentive/disincentive time - is the time established for the completion of all identified critical work. The incentive/disincentive time and contract time may be the same when traffic impact exists for the full duration of the project. The incentive/disincentive time may be for a shorter period of time than the contract time when traffic is impacted only during a certain operation, phase or phases of the work.

(D) Incentive/disincentive amount - is the fixed amount of money paid to the contractor for each day or fraction thereof identified critical work is completed ahead of schedule and the amount of money deducted from the contract price for each day or fraction thereof the contractor overruns the time allotted for the completion of identified critical work.

(E) Liquidated damages - is the daily amount of money established in the contract to be deducted from the contract price for additional costs, other than the disincentive daily amount, incurred by the department due to the contractor's failure to complete all contract work on time. The contract provision shall specify the applicable time unit of measurement for the incentive/disincentive.
