PROGRESS PAYMENTS

This chapter contains the following sections:

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- Stockpiles ............................................................... 24-3
- Asphalt Escalation ....................................................... 24-6
- Fuel Escalation ............................................................. 24-9
- Office Engineer IDR Postings ............................................ 24-12
- Ride Pay Adjustment ..................................................... 24-15
- Liquidated Damages and Penalties ................................. 24-17
- Pay Estimates ................................................................. 24-26
OVERVIEW

This chapter provides guidance for the preparation of supporting documentation (stockpiles, escalation, liquidated damages and penalties) for Contractor payments and creation of the semi-monthly pay estimate. The pay estimate information is exported to NDOT’s financial system for processing the contractor progress payment.

NOTE: Forms change periodically, go to the SharePoint Construction Forms, Area: Construction Admin - Payment Forms for the latest version.

STOCKPILES

Stockpile partial payments may be made for acceptable materials furnished and stored for use on a contract if such storage is within the vicinity of the job site in the State of Nevada and subject to or under the control of NDOT. This is more commonly referred to as payment for Materials On Hand. Refer to Subsection 109.06, (Measurement and Payment) Partial Payment, of the Standard Specifications for details.

- The Prime Contractor must submit a signed Request for Payment for Materials On Hand form, (Form No. 040-015) (Figure 24-1), an invoice (Figure 24-2), material certification and test report (if applicable) to request a stockpile partial payment. Any subsequent additions to the stockpile must be requested by submitting a new signed form and additional invoices.
- Partial payments for materials fabricated or manufactured off the jobsite (pipe, rebar, fence, guardrail, etc.) shall be allowed at invoice prices, providing the invoice costs are less than unit bid price for each item.
- Sales tax and freight charges may be included in the adjusted unit price if it is requested and substantiated by an invoice.
- The stockpiled price for reinforcing steel and all guardrail items (guardrail, end anchors, connections, etc.) cannot be greater than 50 percent of the bid price for the bid item.
- Payments for reinforcing steel for drilled shafts should not be greater than 50% of the unit bid price for the drilled shafts. If unusually high or low bid prices for these items are encountered, contact Construction Administrative Services staff on a case-by-case basis.
- Partial payments are not allowed for any perishable items unless allowed in the Special Provisions. This is especially important on the contracts which include planting or beautification items.

RESIDENT ENGINEER’S RESPONSIBILITIES

- When stockpile partial payment is requested but the materials have not been brought to the job site, add a detailed explanation of where the material is being stored and shipment date if known on the Request for Payment for Materials On Hand form (Figure 24-1).
- Assign an NDOT representative to verify quantity, quality, location, proper storage, acceptability of the material, and the information furnished with the Contractor’s request.
- Determine a percentage of the unit bid price to be paid for the stockpile item if the unit price on the invoice exceeds the unit bid price for any item.
- Determine if materials included for payment have been incorporated in the work.
STATE OF NEVADA
DEPARTMENT OF TRANSPORTATION
REQUEST FOR PAYMENT FOR MATERIALS ON HAND

DATE 12/27/2016

TO: Sami Yousif

FROM: FISHER INDUSTRIES

IN ACCORDANCE WITH THE PROVISIONS OF SUBSECTION 199.96 OF THE STANDARD SPECIFICATIONS FOR ROAD AND BRIDGE CONSTRUCTION, REQUEST IS MADE FOR PAYMENT AS MATERIALS ON HAND FOR THE FOLLOWING MATERIALS:

<table>
<thead>
<tr>
<th>ID Item No.</th>
<th>Quantity</th>
<th>Material Description</th>
<th>Value</th>
<th>Type of Substantial Details</th>
<th>Where Stored or Invoiced</th>
</tr>
</thead>
<tbody>
<tr>
<td>6030720</td>
<td>360.00</td>
<td>30 Inch X 19 Inch RCP</td>
<td>$26,727.84</td>
<td>Invoiced, and Visual Inspection</td>
<td>Rinker Yard Las Vegas</td>
</tr>
<tr>
<td>6030770</td>
<td>360.00</td>
<td>36 Inch X 24 Inch RCP</td>
<td>$34,087.86</td>
<td>Invoiced, and Visual Inspection</td>
<td>Rinker Yard Las Vegas</td>
</tr>
<tr>
<td>6030620</td>
<td>7.120</td>
<td>45 Inch X 29 Inch RCP</td>
<td>$97,296.22</td>
<td>Invoiced, and Visual Inspection</td>
<td>Rinker Yard Las Vegas</td>
</tr>
<tr>
<td>6031005</td>
<td>376.00</td>
<td>60 Inch X 38 Inch RCP</td>
<td>$74,037.41</td>
<td>Invoiced, and Visual Inspection</td>
<td>Rinker Yard Las Vegas</td>
</tr>
<tr>
<td>6030990</td>
<td>3.00</td>
<td>36 Inch X 24 Inch FES</td>
<td>$5,907.24</td>
<td>Invoiced, and Visual Inspection</td>
<td>Rinker Yard Las Vegas</td>
</tr>
<tr>
<td>6030995</td>
<td>3.00</td>
<td>45 Inch X 29 Inch FES</td>
<td>$8,312.10</td>
<td>Invoiced, and Visual Inspection</td>
<td>Rinker Yard Las Vegas</td>
</tr>
<tr>
<td>6031000</td>
<td>2.00</td>
<td>53 Inch X 34 Inch FES</td>
<td>$6,712.09</td>
<td>Invoiced, and Visual Inspection</td>
<td>Rinker Yard Las Vegas</td>
</tr>
<tr>
<td>6031005</td>
<td>3.00</td>
<td>60 Inch X 38 Inch FES</td>
<td>$11,533.85</td>
<td>Invoiced, and Visual Inspection</td>
<td>Rinker Yard Las Vegas</td>
</tr>
<tr>
<td>6030960</td>
<td>163.00</td>
<td>53 Inch X 34 Inch RCP</td>
<td>$27,115.20</td>
<td>Invoiced, and Visual Inspection</td>
<td>On Job site 3628</td>
</tr>
<tr>
<td>6031000</td>
<td>2.00</td>
<td>53 Inch X 34 Inch FES</td>
<td>$6,712.09</td>
<td>Invoiced, and Visual Inspection</td>
<td>On Job site 3628</td>
</tr>
<tr>
<td>6030980</td>
<td>128.00</td>
<td>60 Inch X 38 Inch RCP</td>
<td>$25,204.22</td>
<td>Invoiced, and Visual Inspection</td>
<td>On Job site 3628</td>
</tr>
<tr>
<td>6031005</td>
<td>2.00</td>
<td>60 Inch X 38 Inch FES</td>
<td>$7,899.23</td>
<td>Invoiced, and Visual Inspection</td>
<td>On Job site 3628</td>
</tr>
</tbody>
</table>

AFFIDAVIT

The materials listed above are separated from other like materials, are physically identified as our property and have been purchased exclusively for said contract No. 3628. The State may enter upon the premises for the purposes set forth in subsection 199.96 of the Standard Specifications for Road and Bridge Construction for inspection, checking or auditing, or for any other purpose as you consider necessary. It is expressly understood and agreed that this information and affidavit is furnished to the State for the purpose of obtaining payment for the above materials before they are incorporated into the contract described above, and that the storage thereof at the locations shown is subject to and under the control of the State.

Contractor certifies under the penalties of perjury that this affidavit (including any accompanying evidence) has been examined by him and to the best of his knowledge and belief is true and correct affidavit. It is further expressly understood and agreed by the Contractor that in the event he misrepresents to the State the materials on hand, Contractor will pay to State all costs and expenses, including reasonable attorneys fees, in any action brought by the State to recover any and all damages sustained by the State by reason of such misrepresentation.

C and S Company Inc.

Instructions to Contractors: Submit original and one copy to Resident Engineer prior to the end of the payment cycle. Attach evidence of purchase to original.

Instructions to Resident Engineer: File original. Forward a copy to the Construction Division by the end of the payment cycle.
Figure 24-2: Request for Payment on Materials On Hand Invoice

OFFICE ENGINEER’S RESPONSIBILITIES

- Scan and save the signed Request for Material On Hand form and invoice(s) to the appropriate EDOC Contract Files/Contract Files/Division No. 7 - Construction Pay Estimate and Related Data/7.7. Requests for Materials On Hand with Invoice directory.
- Scan and save the material certification and test report to the appropriate EDOC Contract Files/Material and Testing Files/Division No. 4 – Materials Division Certs and Test Reports/4.4. directory. Send original certifications to the Materials Division for approval.
- Prior to creating the bi-weekly estimate (by Friday of the cut-off date) email the Request for Material On Hand form and invoice to the Construction Admin Services Section (const.admin@dot.nv.gov) for review.
- Create the stockpile record using the information from the invoice. Refer to Chapter 9, Working With Stockpiles, in the FieldManager User Guide for details. Once a stockpile for an item has been set up it will pay the entire stockpile amount on the next estimate processed and it will automatically recover the stockpile payment when the associated item has been paid for through an estimate(s).

Note: The stockpile must be created and included in a bi-weekly estimate before any IDR postings for the stockpile bid items are made. FieldManager will not allow stockpile payment on bid items to exceed plan quantity.
Asphalt Escalation is an adjustment to minimize the impact of price uncertainty to the Contractor and the Department for “Asphalt Cement” used in construction contracts. Asphalt Escalation is added to a contract which has 7500+ wet tons of dense and/or open-graded plantmix. Asphalt Escalation is assessed on actual tonnage placed and accepted. Refer to subsection 109.04, *(Measurement and Payment)* Asphalt Escalation, of the Standard Specifications for details.

At the start of the contract, Construction Admin Services staff will email the Asphalt Material Adjustment Calculations for Wet Ton Contracts spreadsheet (Figure 24-4) to the crew office. This spreadsheet will be used to calculate and track asphalt escalation payments during construction. The original spreadsheet will be populated with the contract number and Basic Materials Index (Bi) for asphalt at the time of Contractor bid opening. A separate workbook within the spreadsheet, is required for each mix design used. If there are questions about this spreadsheet, contact the Construction Admin Services Section for assistance.

Every two weeks Construction Admin Services staff will email the Fuel and Asphalt Escalation for Cut-Off Memo (Figure 24-5) to the crew office. This Memo contains the current Bi-Weekly Materials Adjustment (Bp) amount for asphalt. The information in this memo is used to populate the Bp information in the Asphalt Material Adjustment Calculations for Wet Ton Contracts spreadsheet.

Email all mix designs used during the bi-weekly payment cycle to the Construction Admin Services Section (const.admin@dot.nv.gov).

**OFFICE ENGINEER’S RESPONSIBILITY**

**ASPHALT ESCALATION SPREADSHEET**

- Upon receipt of the New Contract Documentation email from Construction Admin Services staff, save the Asphalt Material Adjustment Calculations for Wet Ton Contracts spreadsheet (Figure 24-4) to the appropriate EDOC Contract Files\Contract Files\Division No. 7 - Construction Pay Estimate and Related Data\7."Asphalt Escalation Spreadsheets directory.
  - Enter the following data in the appropriate workbook tab using the information in the Bituminous Mix Design report (Figure 24-6), from the Materials Division. Use a separate workbook tab for each mix design.
    - % of Asphalt
    - % of Mineral Filler
    - % oil from RAP (only used on a RAP mix design)
  - Rename the workbook tab according to the mix design used (Figure 24-3).

![Figure 24-3: Asphalt Material Adjustment Calculations for Wet Ton, Workbook Tabs](image)

*Note: Copy and paste from the existing workbooks, if additional workbooks are needed for new mix designs.*

- Update the following information in the spreadsheet when paying for Plantmix Surfacing items.
  - Cut-Off Date – Each AEB (category) will have a separate Cut-Off Date record.
  - AEB (Category)
  - Type of Asphalt
  - (Bp) Bi-weekly Adjustment Index – The amount found in the Fuel and Asphalt Escalation for Cut-Off Memo (Figure 24-5).
  - Wet Tons – The Tons Delivered amount from the Record of Delivery – Plantmix Surface spreadsheet.
  - Payment No. – The estimate number in FieldManager.
**PROGRESS PAYMENTS**

**Note:** The spreadsheet automatically calculates the Bi threshold (no escalation is assessed if Bp falls within this threshold), Difference of Bp and Bi, Dry Aggregate, Tons of Oil Used, Escalation $, and Accum. Estimate Total $.

---

**Figure 24-4: Asphalt Material Adjustment Calculations for Wet Ton Spreadsheet**

- Combine the Escalation $ totals for each category in each workbook tab. Use the combined totals for the IDR Asphalt Escalation Item posting.
- Save the spreadsheet to the appropriate EDOC Contract Files\Contract Files\Division No. 7 - Construction Pay Estimate and Related Data\7.# Asphalt Escalation Spreadsheets directory.

---

**Figure 24-5: Fuel and Asphalt Escalation for Cut-Off Memo**

Date: March 13, 2017

To: All Resident Engineers

From: Cecilia White, Construction

Subject: Fuel & Asphalt Escalation for Cut-Off 3/10/2017

Email payment data, including: stockpile info, mix designs for asphalt escalation, LOA, etc., directly to Construction Admin section’s email inbox: Const.admin@dot.nv.gov

Please send no later than the cut-off date: 3/10/2017.

Fuel Escalation (Ag) = $1.78
Asphalt Escalation (Bp) = $333.82

Please assure that someone will be in the field office (or leave a phone number where you or your Office Person can be reached) to answer any bi-weekly payment questions that may require changes to be made to the payment.

Please remember that we are processing contracts statewide and may not get to your contract until Friday.

Thank you.

[Sig]
Bitumen Ratio and Mineral Filler are used for Asphalt Escalation, Asphalt Damages, and in calculating to assure there are enough B/Ls to cover what has been used.

Figure 24-6: Bituminous Mix Design (Page 1)
INSPECTOR DAILY REPORT (FIELDMANAGER)

1. Create an IDR in FieldManager to document the Asphalt Escalation Item.
   a. In the General tab, enter a Comment related to the item posting.
   b. Enter an item posting (Figure 24-7) for the Asphalt Escalation item based on the Escalation $ totals for each category (AEB) in each workbook tab, from the Asphalt Material Adjustment Calculations for Wet Ton Contracts spreadsheet.

2. Generate the IDR.

NOTES for Asphalt Escalation Items:

- If the Asphalt Escalation quantity amount falls below the Catg. Auth. Qty (FOR EACH CATEGORY) then a type 28 Reducing Escalation Quantity Contract Modification must be created, generated and approved. In this Contract Modification, decrease the original Asphalt Escalation Item’s quantity to zero in each category. Refer to Chapter 10, Contract Modification, of the FieldManager User Guide and Chapter 3, Contract Modifications and Letters of Authorization, in this Manual, for details on creating and executing a Contract Modification. Then create an IDR posting and enter the negative quantity amount to the Asphalt Escalation Item.
- Refer to Contract Modification Examples in the Construction Crew Portal in SharePoint for an example of a completed escalation Contract Modification.
- Contact Construction Admin Services staff for questions on Fuel Escalation.

NOTES for Asphalt Escalation L.S. (Figure 24-7):

- In Location, enter ‘Entire job’.
- In Remarks, reference the Asphalt Escalation spreadsheet.
- Sig. Fig. = .01

Figure 24-7: Office Engineer’s IDR Item Posting (Asphalt Escalation Item)

FUEL ESCALATION

Fuel Escalation is a price adjustment to minimize impact of fluctuations in fuel prices on the Contractor and the Department. Fuel Escalation is only included on contracts where Fuel Factor Percentage > 1%. Refer to the Contract Special Provisions for the “Fuel Factor Percentage” (Ffp). Refer to subsection 109.05, (Measurement and Payment) Fuel Escalation, of the Standard Specifications for details.

The Contractor will send a request to the Resident Engineer to activate fuel escalation on the contract. The Contractor can activate fuel escalation at any time during the contract. The Resident Engineer will forward the activation request to the Construction Admin Services staff.
At the start of the contract, Construction Admin Services staff will email the Diesel Fuel Adjustment Calculations spreadsheet (Figure 24-8) to the crew office. This spreadsheet will be used to calculate and track Fuel Escalation payments during construction. The original spreadsheet will be populated with the contract number, Contract Price (Cp) for fuel at the time of Contractor bid opening, and the Fp from the contract Special Provisions. If there are questions about this spreadsheet, contact the Construction Admin Services Section for assistance.

Every two weeks, Construction Admin Services staff will email the Fuel and Asphalt Escalation for Cut-Off Memo (Figure 24-5) to the crew office. This memo contains the current Adjustment Price (Ap) amount for fuel. The information in this memo is used to populate the Ap information in the Diesel Fuel Adjustment Calculations spreadsheet.

**OFFICE ENGINEER’S RESPONSIBILITY**

Fuel Escalation is based on the payment amount earned on the previous payment estimate(s), so Estimate #1 will never contain Fuel Escalation. The Contractor can request to have Fuel Escalation activated at any point during construction. Fuel Escalation must be tracked bi-weekly throughout the life of the contract on the Fuel Escalation spreadsheet.

**FUEL ESCALATION SPREADSHEET**

- Upon receipt of the New Contract Documentation email from Construction Admin Services staff, save the Diesel Fuel Adjustment Calculations spreadsheet (Figure 24-8) to the appropriate EDOC Contract Files/Contract Files/Division No. 7 - Construction Pay Estimate and Related Data/7.## Fuel Escalation Spreadsheets directory.
- Update the spreadsheet (Figure 24-8), bi-weekly (after the first estimate), with the following information:
  - Cut-Off Date – Each AEB (category) will have a separate Cut-Off Date record.
  - AEB (Category)
  - Ap - The amount found in the Fuel and Asphalt Escalation for Cut-Off Memo (Figure 24-5) that was received for current cut-off.
  - Category Amount Subject to Escalation – The amount (per category) found in the Category Escalation Summary by Estimate Inquire report for the estimate prior to the one in the current cut-off date (Figure 24-8). Refer to Chapter 15, Using Inquires, in the FieldManager User Guide for details.
  - Payment No. – The estimate number in FieldManager.

*Note:* The spreadsheet automatically calculates the Bi threshold (no escalation is assessed if Ap falls within this threshold), Max Ap, AEB cumulative totals (entries in Red), Ap/Cp, Increase or Decrease of Ap, Bi-weekly Fuel Cost (Bfc), A Fuel Adj., and the Accum. Payment Total $.
### INSPECTOR DAILY REPORT (IDR)

The following steps are completed when the Contractor activates Fuel Escalation:

1. Create an IDR in FieldManager to document the Fuel Escalation Item.
   a. In the General tab, enter a Comment related to the item posting.
   b. Enter an item posting (Figure 24-10) for the Fuel Escalation item (per category) based on one of the following:

<table>
<thead>
<tr>
<th>Date</th>
<th>AEB</th>
<th>Ap</th>
<th>Ap/Cp</th>
<th>Increase</th>
<th>Decrease</th>
<th>Category</th>
<th>Amount Subject to Escalation</th>
<th>Di</th>
<th>A Fuel Adj</th>
<th>Payment No.</th>
<th>Accountable Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/23/2015</td>
<td>1</td>
<td>2.13</td>
<td>1.889</td>
<td>0.0839</td>
<td>0.0839</td>
<td>1149.34</td>
<td>1149.34</td>
<td>2433.74</td>
<td>303</td>
<td>2</td>
<td>1125</td>
</tr>
<tr>
<td>10/23/2015</td>
<td>2</td>
<td>2.13</td>
<td>1.889</td>
<td>0.0839</td>
<td>0.0839</td>
<td>23326.55</td>
<td>8910.00</td>
<td>23326.55</td>
<td>303</td>
<td>2</td>
<td>1125</td>
</tr>
<tr>
<td>10/23/2015</td>
<td>3</td>
<td>2.13</td>
<td>1.889</td>
<td>0.0839</td>
<td>0.0839</td>
<td>736.39</td>
<td>11.04</td>
<td>725.35</td>
<td>303</td>
<td>2</td>
<td>1126</td>
</tr>
<tr>
<td>10/23/2015</td>
<td>4</td>
<td>2.13</td>
<td>1.889</td>
<td>0.0839</td>
<td>0.0839</td>
<td>891.36</td>
<td>12.59</td>
<td>878.77</td>
<td>303</td>
<td>2</td>
<td>1127</td>
</tr>
<tr>
<td>10/23/2015</td>
<td>5</td>
<td>2.13</td>
<td>1.889</td>
<td>0.0839</td>
<td>0.0839</td>
<td>40054.29</td>
<td>7200.92</td>
<td>32843.37</td>
<td>303</td>
<td>2</td>
<td>1174</td>
</tr>
<tr>
<td>10/23/2015</td>
<td>6</td>
<td>2.13</td>
<td>1.889</td>
<td>0.0839</td>
<td>0.0839</td>
<td>6.03</td>
<td>0.10</td>
<td>5.93</td>
<td>303</td>
<td>2</td>
<td>1176</td>
</tr>
<tr>
<td>10/23/2015</td>
<td>7</td>
<td>2.13</td>
<td>1.889</td>
<td>0.0839</td>
<td>0.0839</td>
<td>1884.16</td>
<td>28.27</td>
<td>1855.89</td>
<td>303</td>
<td>2</td>
<td>1176</td>
</tr>
</tbody>
</table>

**Figure 24-8: Diesel Fuel Adjustment Calculations Spreadsheet**

**Figure 24-9: FieldManager Category Escalation Summary by Estimate Report**

- Save the spreadsheet (Figure 24-8) to the appropriate EDOC Contract Files/Contract Files/Division No. 7 - Construction Pay Estimate and Related Data/7.# Fuel Escalation Spreadsheets directory.
PROGRESS PAYMENTS

State of Nevada Department of Transportation
Documentation Manual
January 2019

i. If more than one estimate has processed prior to the activation of fuel escalation use the AEB cumulative totals (entries in Red), in the Diesel Fuel Adjustment Calculations spreadsheet (Figure 24-8).

ii. For all remaining estimates use the A Fuel Adj, (Column 8) amounts, in the Diesel Fuel Adjustment Calculations spreadsheet (Figure 24-8).

2. Generate the IDR.

NOTES for Fuel Escalation Items:

- If the fuel escalation quantity amount falls below the Catg. Auth. Qty (FOR EACH CATEGORY) then a type 28 Reducing Escalation Contract Modification must be created, generated and approved. In this Contract Modification, decrease the original fuel escalation item’s quantity to zero in each category. Refer to Chapter 10, Contract Modification, of the FieldManager User Guide and Chapter 3, Contract Modifications and Letters of Authorization, in this Manual, for details on creating and executing a Contract Modification. Then create an IDR posting and enter the negative quantity amount to the Fuel Escalation Item.

- Refer to Contract Modification Examples in the Construction Crew Portal in SharePoint for an example of a completed escalation Contract Modification.

- Contact Construction Admin Services staff for questions on Fuel Escalation.

Figure 24-10: Office Engineer’s IDR Item Posting (Fuel Escalation Item)

NOTES for Fuel Escalation L.S. (Figure 24-10):

- In Location, enter ‘Entire job’.
- In Remarks, reference the Fuel Escalation spreadsheet.
- Sig. Fig. = .01

OFFICE ENGINEER IDR POSTINGS

OFFICE ENGINEER’S RESPONSIBILITIES

The Office Engineer will make IDR postings for the following items: ALL ton items, mobilization, prorated (percentage) items, trainee, time related overhead, and lump sum. Multiple postings can be added to one IDR. They can be completed daily, weekly or bi-weekly within the two-week pay period. Refer to Chapter 7, Inspector Daily Report, in the FieldManager User Guide for details.

1. Create an IDR in FieldManager.
   a. In the General tab, enter a Comment related to the item posting(s).
   b. Enter the item posting (Figure 24-11) through (Figure 24-15).

2. Generate the IDR.
TON ITEMS

Refer to the Office Engineer’s Responsibilities Sections in Chapters 9, 10 and 11 in this Manual for details and screen shots of the Ton Item IDR postings.

MOBILIZATION (L.S.)

NOTES for Mobilization L.S. (Figure 24-11):

- The Percentage Item Warning window (Figure 24-29), from the estimate process, lists the suggested quantity for mobilization, when appropriate. The quantity suggested is based on the information in Subsection 109.06 of the Standard Specifications and the percent complete awarded amount of the contract.
- In Location, enter ‘Entire job’.
- Sig. Fig. = .01

Figure 24-11: Office Engineer’s IDR Item Posting (Mobilization L.S.)

PRORATED ITEM (L.S.)

NOTES for Prorated L.S. (Figure 24-12):

- The Percentage Item Warning window (Figure 24-29), from the estimate process, lists the suggested quantity for prorated items, when appropriate. The quantity suggested is based on the information in subsection 109.06 of the Standard Specifications and the percent complete awarded amount of the contract.
- In Location, enter ‘Entire job’.
- Sig. Fig. = .01

Figure 24-12: Office Engineer’s IDR Item Posting (Prorated L.S.)
NOTES for Training HOUR (Figure 24-13):
- Payment for Trainee is based on hours.
- In Location, enter ' Entire Job'.
- Trainee hours for apprentices will be documented on a Weekly Trainee Report (Form No. 040-042) completed and signed weekly (Figure 24-14) or a Training Reimbursement Report printed from LCPtracker.
- Reference the 2017 Certified Payroll and Compliance Manual
- Sig. Fig. = 0.5 the nearest one-half (0.5) hour.
TIME RELATED OVERHEAD

NOTES for Time Related Overhead DAY (Figure 24-15):

- Payment for Time Related Overhead is based on Days.
- In Location, enter 'Entire Job'.
- In Remarks, reference the time frame and any non-working days.
- Sig. Fig. = 1

Figure 24-15: Office Engineer’s IDR Item Posting (Time Related Overhead DAY)

RIDE PAY ADJUSTMENT

The Ride Pay Adjustment item (7360033 – Ride Incentive/Disincentive) provides an incentive to the contractor to construct a roadway with a ride surface smoother than the specified Mean Roughness Index (MRI) and has a financial disincentive if the ride surface is rougher than the specified MRI or if the ride surface contains any localized roughness in excess of the specified maximum allowable International Roughness Index (IRI) values. The prime contractor will provide an Initial Profile Summary Report on the MRI and IRI values of the pavement riding surface upon completion of the placement of the open-graded material. If any corrections such as profile grinding are performed after the initial measurement, the prime contractor will provide a Final Profile Summary Report on the MRI and IRI values of the pavement riding surface upon completion of any such corrections. The information provided in these summary reports in conjunction with the table for the appropriate incentive/disincentive amounts based on MRI values, which can be found in Subsection 403.05.02, (Plantmix Bituminous Open-Graded Surface) Ride Pay Adjustment, of the Special Provisions, will be used for Ride Pay Adjustments. Participation in the Construction Division’s Workshop – Introduction to Inertial Profilers, is strongly encouraged to aid in Ride Pay Adjustment procedures. Contact Construction Division Quality Insurance staff for ALL questions pertaining to Ride Pay Adjustment.

OFFICE ENGINEER’S RESPONSIBILITIES

Upon receiving the Profile Summary Report from the contractor, the following steps must be completed:

1. Obtain the Ride Pay Adjustment Columnar Sheet (Form No. 040-084) (Figure 24-16) from the Construction and Materials Form area in SharePoint.
2. Use the information in the Profile Summary Report (Figure 24-17) and Table 1 in Subsection 403.05.02, (Plantmix Bituminous Open-Graded Surface) Ride Pay Adjustment, of the Special Provisions, to fill out the Ride Pay Adjustment Columnar Sheet (Figure 24-16).
Figure 24-16: Ride Pay Adjustment Columnar Sheet
LIQUIDATED DAMAGES AND PENALTIES

Liquidated Damages (LD) and Penalties are defined as justifiable damages to the Department or general public. They are assessed in a contract by processing an Administrative type Contract Modification that adds the appropriate Liquidated Damage or Penalty Item and completing an IDR item posting to the item with a negative quantity.

Documentation examples for a few selected Liquidated Damage Items are illustrated in this section. Contact the Construction Division for questions prior to processing the Contract Modification.

RESIDENT ENGINEER’S RESPONSIBILITIES

- Complete an Administrative type Contract Modification (types 31 – 35) and supporting documentation for the following types of Liquidated Damages or Penalty. Refer to Chapter 3, Contract Modifications and Letters of Authorization, in this Manual, for details on creating and executing the Contract Modification.
  - Liquidated Damage (Environmental)
    - Refer to Section 637, *(Temporary Pollution Control)*, of the Special Provisions and the NDOT Stormwater Guidance Manual for Construction Project for details.
    - A separate Contract Modification must be processed per deficiency per item.
    - Add the LD item in the category where the damage took place.
    - Call the Stormwater Division for guidance on environmental deficiencies.
  - Liquidated Damage (Material) *(Examples for failing asphalt and plantmix - Lottman are described in this chapter).*
    - Refer to Subsection 109.02, *(Measurement and Payment)* Scope of Payment, of the Standard Specifications for details.
PROGRESS PAYMENTS

- A separate Contract Modification must be completed for each failing material type, but consecutive failures can be assessed on each material type.
  - Add the LD item to the category where the material was placed and failed.
- Liquidated Damage (Time)
  - Refer to Subsections 108.09, *(Prosecution and Progress) Failure to Complete the Work on Time*, of the Standard Specifications and the Special Provisions for details.
  - A separate Contract Modification must be completed each time additional days are assessed.
  - For the overall completion of the contract (day or date), add the LD item to the largest category. For a time overage (related to Subsection 108.09, *(Prosecution and Progress) Failure to Complete the Work on Time*, in the Special Provisions), add the LD item to the category where the time was not met.
- Penalty (Labor Compliance)
  - Refer to Nevada Labor Commissioner memo(s) received from the Contract Compliance staff.
  - A separate Contract Modification must be completed for each wage determination and late payroll determination.
  - Add the penalty item to the largest category.

Refer to **Contract Modification Examples** in the Construction Crew Portal in SharePoint for examples of completed liquidated damage/penalty Contract Modification.

**EXAMPLE OF LIQUIDATED DAMAGES FOR ASPHALT**

Asphalt samples represent 25 tons or any fraction thereof on the last sample of the day. Make sure to check the Special Provisions of the contract to assure the sample frequency has not been changed.

The calculation of Liquidated Damages for asphalt represented by each sample on any given day is:

\[
\text{tonnage represented for each sample} = \frac{\text{total asphalt used} \times \text{total samples taken}}{\text{total asphalt used}}
\]

In no case shall any sample represent more than 25 tons. This is done on all samples for the day whether they passed or failed.

The items needed to calculate damages for asphalt are:

- The Report of Tests of Asphalitic Cement (Figure 24-18) from the Materials Division shows whether a sample has passed/failed. Failures will include demerits. The information on top of the form comes from the Transmittal for Asphalt Samples (Form No. 020-016) that was turned in with the asphalt sample.
Figure 24-18: Report of Tests of Asphalitic Cement

- Plant Record Spreadsheet (Figure 24-19) will match the information placed on the Transmittal for Asphalt Samples (Form No. 020-016). Sample numbers 102 thru 106 shown below on the Plant Record, are used in the example on Figure 24-21.
PROGRESS PAYMENTS

Figure 24-19: Plant Record Spreadsheet
- Record of Delivery - Plantmix Surface Spreadsheet (Figure 24-20) that shows the Total Tons of mix placed on the day the sample(s) failed.

<table>
<thead>
<tr>
<th>Sample No.</th>
<th>Date (mm/dd/yyyy)</th>
<th>Time</th>
<th>Tons Represented</th>
<th>Inspector (initials)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>99</td>
<td>07/14/2017</td>
<td>8:25 AM</td>
<td>25.75</td>
<td>TJW</td>
<td></td>
</tr>
<tr>
<td>100</td>
<td>07/15/2017</td>
<td>8:30 AM</td>
<td>25.02</td>
<td>TJW</td>
<td></td>
</tr>
<tr>
<td>101</td>
<td>07/15/2017</td>
<td>9:55 AM</td>
<td>26.02</td>
<td>TJW</td>
<td></td>
</tr>
<tr>
<td>102</td>
<td>07/17/2017</td>
<td>8:45 AM</td>
<td>27.68</td>
<td>NPW</td>
<td></td>
</tr>
<tr>
<td>103</td>
<td>07/17/2017</td>
<td>11:50 AM</td>
<td>27.68</td>
<td>NPW</td>
<td></td>
</tr>
<tr>
<td>104</td>
<td>07/17/2017</td>
<td>1:22 AM</td>
<td>27.68</td>
<td>NPW</td>
<td></td>
</tr>
<tr>
<td>105</td>
<td>07/17/2017</td>
<td>3:05 AM</td>
<td>27.68</td>
<td>NPW</td>
<td></td>
</tr>
<tr>
<td>106</td>
<td>07/17/2017</td>
<td>4:10 PM</td>
<td>27.68</td>
<td>NPW</td>
<td></td>
</tr>
</tbody>
</table>

Figure 24-20: Record of Delivery – Plantmix Surface
- A copy of the applicable JMF (Figure 24-6) for the percent of asphalt and mineral filler.
- The dollar amount per ton from Subsection 402.05.01, *(Plantmix Bituminous Surface) Payment*, of the Special Provisions.
- Use the Liquidated Damages for Failing Asphalt Cement Calculation Worksheet (Figure 24-21) found in the SharePoint Construction Forms, Area: Construction Admin - Area: Construction Admin Payment Forms. Complete the cells in Blue. Make sure the asphalt cement for the day and the total tons match. If the total tons do not match the asphalt cement for the day, an adjustment must be made on as many samples as it takes to get the total to equal.
- Complete the cells in Blue on Liquidated Damages for Failing Asphalt Cement form (Form No. 040-077) (Figure 24-22). Use one form for each material. Do not create a separate sheet for each pay period. Fill in the CATG# totals at the bottom when the form is complete or full. The Grand Total must match the total of all the CATG#s.
- When all calculations have been completed a letter explaining the Liquidated Damage must be sent to the Contractor, notifying when it will be deducted from the progress payment. Send a copy to the Construction Division.
Liquidated Damages for Asphalt Cement Calculation Worksheet and all backup documentation will be saved to the appropriate EDOC Contract Files\Contract Files\Division No. 7 - Construction Pay Estimate and Related Data\Liquidated Damages (Materials) directory.

### Liquidated Damages for Failing Asphalt Cement Calculation Worksheet

<table>
<thead>
<tr>
<th>CONTRACT NO:</th>
<th>3583</th>
<th>DATE USED:</th>
<th>07/17/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>TYPE OF ASPHALT (CHOOSE ONE):</td>
<td>[ ] PG Grade (a)</td>
<td>[ ] PG Grade (b)</td>
<td>[ ] PG 84-28NV</td>
</tr>
<tr>
<td>NAME OF ASPHALT: (CHOOSE ONE):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MIX DESIGN NO:</td>
<td>BF 16-77</td>
<td>JOB MIX FORMULA NO:</td>
<td>2</td>
</tr>
<tr>
<td>FROM JMP:</td>
<td></td>
<td>When RAP is included, use the bitumen ratio added as shown on the JMP; do not use the bitumen ratio total. NDOT is responsible for performing moisture tests.</td>
<td></td>
</tr>
<tr>
<td>BITumen RATIO =</td>
<td>4.80%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MINERAL FILLER =</td>
<td>1.28%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OIL FROM RAP =</td>
<td>0.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MOISTURE =</td>
<td>4.80%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ASPHALT COST ($) =</td>
<td>700.00</td>
<td>Refer to Special Provisions, Section 402.05.01.</td>
<td></td>
</tr>
<tr>
<td>TOTAL WET TONS FOR DAY =</td>
<td>153.46</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DRY TONS FOR DAY =</td>
<td>153.46</td>
<td>+ (0.1088 + 1) = 138.40</td>
<td></td>
</tr>
<tr>
<td>ASPHALT CEMENT FOR DAY =</td>
<td>138.40</td>
<td>0.0480 = 6.64</td>
<td></td>
</tr>
<tr>
<td>TOTAL NO. OF SAMPLES TAKEN FOR DAY =</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TONS PER SAMPLE FOR DAY (FOR DEMERITS) =</td>
<td>6.64</td>
<td>+ 5 = 1.33</td>
<td></td>
</tr>
<tr>
<td>LAB NUMBER</td>
<td>DEMERITS</td>
<td>$/DEMERT</td>
<td>TONS</td>
</tr>
<tr>
<td>439</td>
<td>10</td>
<td>100.00</td>
<td>27.66</td>
</tr>
<tr>
<td>440</td>
<td>0</td>
<td>0.00</td>
<td>27.68</td>
</tr>
<tr>
<td>441</td>
<td>0</td>
<td>0.00</td>
<td>27.68</td>
</tr>
<tr>
<td>442</td>
<td>6</td>
<td>60.00</td>
<td>27.68</td>
</tr>
<tr>
<td>443</td>
<td>0</td>
<td>0.00</td>
<td>27.68</td>
</tr>
<tr>
<td>443</td>
<td>0</td>
<td>0.00</td>
<td>27.68</td>
</tr>
<tr>
<td>445</td>
<td>0</td>
<td>0.00</td>
<td>27.68</td>
</tr>
</tbody>
</table>

The worksheet calculates a positive demerit amount. The item posting MUST be entered as a negative quantity amount.

Figure 24-21: Liquidated Damages for Failing Asphalt Cement Calculation Worksheet
Figure 24-22: Liquidated Damages for Failing Asphalt Cement (Form No. 040-077)

*EXAMPLE OF LIQUIDATED DAMAGES FOR PLANTMIX FAILING LOTTMAN*


The calculation of Liquidated Damages for Failing Lottman are represented by wet tons per shift.

The items needed to calculate damages for plantmix Lottman are:

- Test result number(s) Lottman Test Report (Figure 24-23) from the Materials Division.
  - Original Tensile Strength, PSI
  - % Retained Strength
- The Liquidated Damages for Failing Lottman Test Report Calculation Worksheet (Figure 24-24), found in the SharePoint Construction Forms, Area: Construction Admin - *Area: Construction Admin - Payment Forms*. Complete the blue cells.
  - Requirement and Rejection Limit number (by type of material), found in Subsection 401.02.02, *(Plantmix Bituminous Pavements – General) Materials – Composition of Mixtures*, of the Standard Specifications.

When all calculations have been completed, a letter explaining the Liquidated Damage must be sent to the Contractor, notifying when it will be deducted from the progress payment. Send a copy of the letter to the Construction Division.
Liquidated Damages for Failing Lottman Test Report Calculation Worksheet and all backup documentation will be saved to the appropriate EDOC Contract Files\Contract Files\Division No. 7 - Construction Pay Estimate and Related Data\7.# Liquidated Damages (Materials) directory.

**Figure 24-23: Lottman Test Report**
Figure 24-24: Liquidated Damage for Failing Lottman Test Report Calculation Worksheet

OFFICE ENGINEER’S RESPONSIBILITIES

The Office Engineer will make IDR postings for the Liquidated Damage Items. Multiple postings can be can be added to one IDR. They can be completed daily, weekly or bi-weekly within the two-week pay period. Refer to Chapter 7, Inspector Daily Report, in the FieldManager User Guide for details.

- Create an IDR in FieldManager for the Liquidated Damage Item:
  - In the General tab, enter a Comment related to the item posting(s).
  - Enter the item posting (Figure 24-25 through Figure 24-28).
LIQUIDATED DAMAGE – ENVIRONMENTAL

NOTES for LD Environmental L.S. (Figure 24-25):
- In Location, enter the Line Designation and LT, RT, or CL.
- In Remarks, reference the specific deficiency.
- Sig. Fig. = .01

Figure 24-25: Office Engineer’s IDR Item Posting (LD Environmental L.S.)

LIQUIDATED DAMAGE – MATERIAL

NOTES for LD Material L.S. (Figure 24-26):
- In Location, enter the Line Designation and LT, RT, or CL.
- In Remarks reference the lab test number.
- Sig. Fig. = .01

Figure 24-26: Office Engineer’s IDR Item Posting (LD Material L.S.)
LIQUIDATED DAMAGE - TIME

NOTES for LD Time L.S. (Figure 24-27):
- In Location, enter ‘Entire job’.
- In Remarks, enter the LD for time calculation.
- Sig. Fig. = .01

Figure 24-27: Office Engineer’s IDR Item Posting (LD Time L.S.)

PENALTY - LABOR COMPLIANCE

NOTES for Penalty Labor Compliance L.S. (Figure 24-28):
- In Location, enter ‘Entire job’.
- In Remarks, reference the Labor Commissioner case number.
- Sig. Fig. = .01

Figure 24-28: Office Engineer’s IDR Item Posting (Penalty Labor Compliance L.S.)

PAY ESTIMATES

The Contractor will be paid for the work performed on a bi-weekly basis using a FieldManager Estimate. The bi-weekly cut-off date for all estimates is every other Friday. Contact Construction Admin Services staff for cut-off dates.

The FieldManager software automatically runs a series of calculations (item usage, material approvals, working days and retain-age) each time an estimate is created. Refer to Chapter 11, Estimates, in the FieldManager User Guide, for details.
RESIDENT ENGINEER’S RESPONSIBILITIES

DAILY DIARIES

A Daily Diary is used to document pertinent daily contract activities and assess working days. It also incorporates information from generated IDR’s from Inspectors and the Office Engineer for the corresponding day.

- Create and generate one diary, per day, per contract, prior to the creation of the pay estimate. Refer to Chapter 8, Daily Diaries, in the FieldManager User Guide, for details.

  Note: Make sure that all Inspector’s IDR’s are generated prior to creating the Daily Diary.

  Note: Daily diaries are still required for the months of December, January and February if winter suspension is defined in subsection 108.02 of the Special Provisions, however, no time charges will be entered in the Site Times tab.

PAY ESTIMATES

- When the Office Engineer has created the estimate, review the draft for accuracy.
- When the Office Engineer generates and prints the estimate, sign the Approved by Resident Engineer line in the Estimate Certification area.

OFFICE ENGINEER’S RESPONSIBILITIES

Prior to creating the Semi-Monthly Estimate complete the following:

- Review all Inspector IDR’s for:
  - Quantities – paid to the correct amount - in the correct category - to the correct Sig. Fig.
  - Use the NDOT Power BI Report, Item Posting Tracking, to aid in tracking item posting quantities. Contact the Construction Admin Services staff for details on this Power BI report.
  - Stationing and Location – RT, LT or CL, and offset if known.
  - Remarks - contain required info (decided on by the Resident Engineer) to the bid item; necessary calculations have been referenced and/or made correctly.
  - If Remarks reference a memo or person, include the date of memo, and full name and title of person.
- Generate all IDR’s for this cut-off period.
- Check for certifications (payment should not be made if the certifications have not been approved by the Materials Division).
- Check that all necessary approvals for materials have been entered.

When an error is made in an IDR, a new IDR must be created to rectify the error. If the error is an overpayment, the new IDR must subtract the amount overpaid.

2. Check the Item Usage tab for the Percentage (Prorated) Item (Figure 24-29) suggested quantity amounts.
3. Print the Estimate Percentage Item Warning and review with the Resident Engineer. If the suggested quantity amounts will be used, close the estimate without generating and create and generate new IDR postings using the new quantities. Then re-create the Semi-Monthly estimate.
Figure 24-29: Estimate Percentage Item Warning Window

4. Have the estimate reviewed by someone other than the preparer.
5. Have the Resident Engineer review the estimate.
6. Generate and print the estimate.
7. Obtain all signatures (Prepared By, Checked By and Approved by Resident Engineer) via DocuSign.
8. Save the signed Estimate Report to the appropriate EDOC Contract Files\Contract Files\Division No. 7 - Construction Pay Estimate and Related Data\7.# Construction Pay Estimate Report directory.