

**Steven L. Beshear** Governor

## TRANSPORTATION CABINET

Frankfort, Kentucky 40622 www.transportation.kv.gov/

Joseph W. Prather Secretary

## **STATE HIGHWAY ENGINEER POLICY #2008-10**

## **MEMORANDUM**

TO:

Chief District Engineers

Director of Highway Design

Director of Materials Director of Construction Director of Maintenance

**Director of Construction Procurement** 

FROM:

O. Gilbert Newman, P.E.

State Highway Engineer

DATE:

August 21, 2008

SUBJECT:

Elimination of Pavement Incentive Payments

- Rideability

- Lot Pay Adjustments

Due to our current financial situation, we are continuing to review ways by which we can reduce project costs in order to maximize the amount of work we can accomplish within our financial limitations. One of the project cost reductions we have identified involves our current practice of paying incentives for pavement work that is incrementally better than our basic quality standards.

Effective with the October 2008 bid letting, projects containing pavement bid items will not be eligible for incentive payments involving rideability or lot pay adjustments.

## OGN/CAK

c:

Ray Polly

Bill Gulick

**Bob Lewis** 

Rob Martin

