

**BASE DOCUMENT - DB 190  
VERSION 1****MAY 25, 2007****DB Section 190 – Pricing and Measurement of Pay Quantities**

**DB190.00 Pricing and Payment Terms** - This Section 190 describes the pricing and payment terms and specifies the means of determining the value of Work performed (Work progress). The Parties, upon mutual agreement, may modify individual Price Item Values shown in the Schedule of Prices (Form SP) without modifying the Contract Amount. The Parties shall use a detailed breakdown of pricing and measurement of pay quantities to determine the value of Work performed. This detailed breakdown shall be determined prior to first Pay Request processing for design-related Price Items, and prior to the first Pay Request processing for construction-related Price Items, and shall be used throughout the term of the Contract as the basis for payment. The detailed breakdown must be reconciled to the Contract's Schedule of Prices for each month's payment cycle.

**(a) Pricing Concept** - The pricing concept is summarized as follows:

- Price Centers (PCs) are established by the Agency for major Work activities, representing either an entire Work Location or a grouping of inter-related Work within a Work Location
- Price Items are identified by the Agency to reflect particular groupings of tasks (e.g., Design Units or construction Work packages) within each Price Center
- Price Item Values are assigned by the Design-Builder to each Price Item to facilitate the determination of the value of Work performed (Work progress)

**(b) Breakdown of Price Centers, Price Items; Price Item Values**

**(1) Identification of Price Centers** - Form PCD identifies each Price Center and Price Item by title, description, and identification number.

If Design-Builder plans to request payment as advance allowance for Materials on hand, it must show delivery of the Material as a separate Price Item in the associated PC. Payment shall be subject to the terms and conditions of **DB General Provisions**, Subsection 195.60.

**(2) Identification of Price Items** - Price Centers are divided into the following Price Items:

- Price Item A: Design
- Price Item B: Quality Management
- Price Item C: Safety (including temporary traffic control)
- Price Item D: Environmental mitigation and monitoring
- Price Item E: Mobilization
- Price Items F and beyond are identified in Forms SP and PCD

For each Price Item, Design-Builder shall describe on Form PCD, in bulleted or narrative form, all of the Work encompassed within the Price Item, and shall cross-reference items of a similar nature that are included in other Price Items. The Design-

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Builder may include a list of the key components shown on Form SP in each Price Item description.

**(3) Assignment of Price Item Breakdown** - Design-Builder shall assign Price Item breakdowns for each Price Item as a means to quantify the value of Work performed, per **DB General Provisions**, Subsection 190.10.

**DB190.10 Measurement / Determining Progress**

**(a) Fixed-Price Work** - For all fixed-price Work, the Parties will conduct a pre-design meeting for the purpose of establishing the level of detail to be required for measuring progress with regard to Price Items A through D.

The Parties will conduct a pre-construction meeting for the purpose of establishing the level of detail to be required for measuring progress with regard to Price Items F and beyond. In the event the Parties cannot agree on the level of detail to be required, the Agency shall establish the requirements, which decision shall be final. Price Item E progress measurement is established in Subsection 190.10(a)(3) below.

Design-Builder shall include the basis for progress measurement and Price Item breakdown in the Quality Plan, which must be Accepted by the Agency prior the Agency's processing of Design-Builder's first Pay Request.

For all Work paid on a fixed-price basis, progress and payment shall be determined as follows:

**(1) Price Item A** - Progress shall be determined on a cumulative percent of Work complete basis, consistent with the measurement established in the written Design Unit report required pursuant to **DB General Provisions**, Subsection 155.06.

The breakdown of Design Price Items for each PC is based on the Design Units identified in Form DU, in relation to the three (3) major Milestones associated with design: Definitive Design, Readiness-for-Construction, and As-Constructed Plans and Specifications. The breakdown consists of the following:

<b>Design Milestone/Event for each Design Unit</b>	<b>Earns</b>
Start Design	<b>10%</b> of the value of Price Item "A" for a particular PC
Submit Definitive Design	<b>25%</b> of the value of Price Item "A" for a particular PC
Submit Readiness-for-Construction	<b>50%</b> of the value of Price Item "A" for a particular PC*
Submit As-Constructed	<b>15%</b> of the value of Price Item "A" for a particular PC
Total	<b>100%</b> of the value of Price Item "A" for a particular PC

\*Readiness-for-Construction (RFC) submittals may be further broken down into component construction Work packages, such as:

Traffic staging and detour	equivalent to 5% of the RFC Price Item
Demolition (Bridge removal)	equivalent to 10% of the RFC Price Item
Substructure construction	equivalent to 25% of the RFC Price Item

Superstructure construction	equivalent to 25% of the RFC Price item
Earthwork construction	equivalent to 15% of the RFC Price Item
Roadway construction	equivalent to 20% of the RFC Price Item

Alternatively, Design-Builder may elect to measure progress of RFC Work in relation to the percent of the associated construction Work (Price Items F and beyond). RFC Work progress will then be calculated for payment as the Price Item Value multiplied by the percentage of associated Construction Work planned.

**(2) Price Items B through D** - Progress shall be measured as follows:

- Price Item B, Quality, will earn:
  - 5% of all Quality Price Items on Project at Interim Acceptance of the Quality Plan
  - 15% of all Quality Price Items on Project at Final Acceptance of the Quality Plan
  - 80% of the PC value will be pro-rated each month based on construction progress of the specific PC (e.g., Work Location)
- Price Item C, Safety, will earn:
  - 10% of all Safety Price Items on Project at submittal of Safety Plan
  - 90% of the PC value will be pro-rated each month based on construction progress of the specific PC (e.g., Work Location)
- Price Item D, Environmental, will earn:
  - 10% of all Environmental Price Items on Project at submittal of Environmental Compliance Plan (part of the Quality Plan)
  - 90% of the PC value will be pro-rated each month on construction progress of the specific PC (e.g., Work Location)

**(3) Price Item E** - Mobilization shall be measured and paid pursuant to **DB Standard Specifications**, Subsection 00210.90 for the construction component of a PC (e.g., Work Location), not including advances on Materials, as follows:

- When 5% is earned, 50% of the amount for mobilization is paid for the PC
- When 10% is earned 100% of the amount for mobilization is paid for the PC
- When all Work is completed, the amount of mobilization exceeding 10% of the original Contract Amount

**(4) Price Centers Associated with Construction** - Progress shall be determined on a cumulative percent of Work complete basis. Price Items F and beyond shall be measured based on completed actual quantities against the estimated quantities provided with the Readiness-for-Construction submittal. In addition to the other remedies provided in the Contract, and regardless of the actual Work completed, Design-Builder will not be considered to have progressed the Work for any Price Center under any of the following circumstances:

- The Quality Plan has not been followed or documentation has not been provided
- The Baseline Project Schedule is not being followed
- The Safety Plan is not being followed
- The Traffic Control Plans are not being followed

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- Environmental requirements have not been met

**(b) Unit Priced Work** - In computing amounts of Work done under Unit Prices, all Pay Requests, including the final, will be made for actual quantities of Work performed and Material placed in accordance with Contract requirements (except as provided under **DB General Provisions**, Subsection 195.60), as determined per **DB General Provisions**, Subsection 195.55. The resulting quantities involved in the Contract shall be accepted as final, conclusive, and binding upon Design-Builder.